



# OTHER INFORMATION

## MILL LEVY FACTS

**CALCULATING THE CITY MILL LEVY REQUIREMENT.** A mill is \$1 of tax for every \$1,000 of assessed value on real and personal property. The mill levy is recalculated every year and is based on the tax dollars needed for financing the City budget.

First, the City (the taxing district) arrives at a total amount for expenditures in the taxing funds. In Wichita these funds are the General Fund and the Debt Service Fund. After expenditure totals are known, all other revenue sources (non-property taxes and fees) are subtracted. The remainder is the amount to be raised from ad valorem (property) taxes.

The tax levy rate is calculated by dividing the total revenue to be obtained from property taxes by the total assessed value for the taxing district. The table below shows the 2005 tax year rates, which are used to finance the 2006 budget.

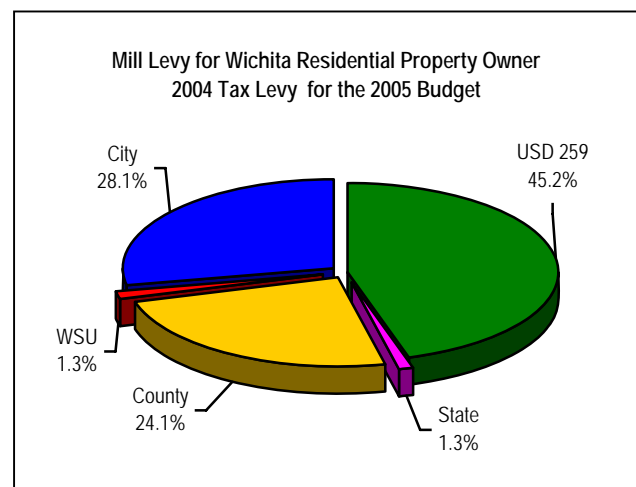
Tax Rates (Based on 2005 Values) for the 2006 Budget Year		
Assessed valuation (\$)	2,673,854,934	
	Tax \$ to be Levied (Including Delinquencies)	Mill Levy
General Fund	58,364,900	21.828
Debt Service Fund	26,738,550	10.000
Total	85,103,450	31.828

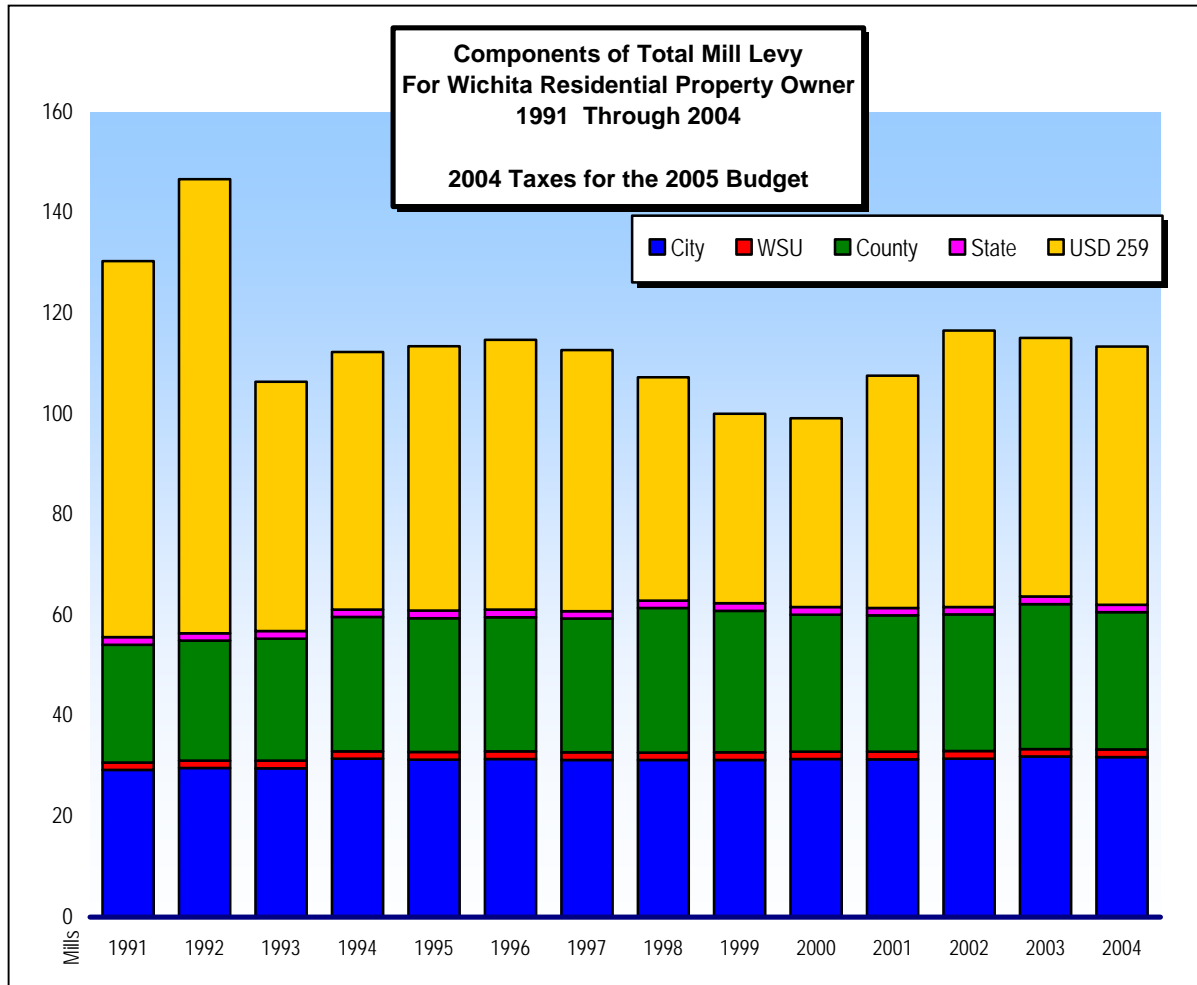
A City residential property owner will pay taxes to support the City budget, based on the market value of the owner's property, times the assessment ratio (11.5% for residential property), times the tax levy rate (mills divided by 1,000), as illustrated in the three examples to the right. Rates for other properties are: commercial, 25%; real used by nonprofits, 12%; public utility, 33%; vacant lots, 12%; agricultural use, 30%; all others, 30%.

Market Value	X	Assessment Ratio	X	City Tax Levy Rate	=	Estimated City Taxes Due
\$50,000	X	11.5%	X	0.031828	=	\$183
\$75,000	X	11.5%	X	0.031828	=	\$275
\$100,000	X	11.5%	X	0.031828	=	\$366

*The assessed value is the market value times the classification rate. For example, the assessed value of a \$50,000 home (for purposes of taxation) is \$50,000 times 11.5%, or \$5,750.*

Taxing District	Tax Levy Rate	Percent of Total
City of Wichita	31.828	28.1%
Sedgwick County	27.263	24.1%
WSU	1.500	1.3%
U.S.D 259	51.296	45.2%
State	1.500	1.3%
Total	113.387	100.0%



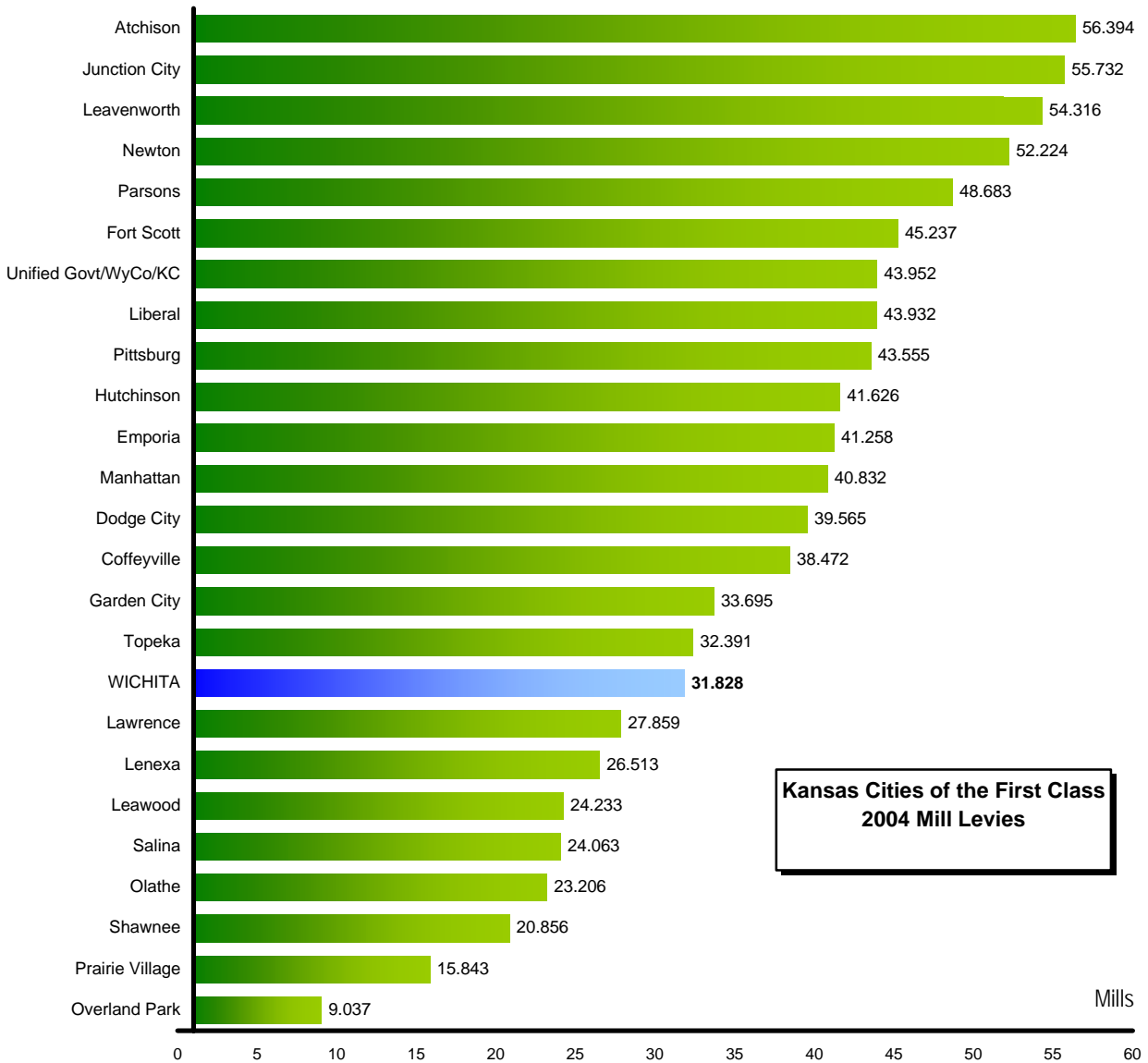


Components of the Total Mill Levy For Wichita Residential Property Owner 1991 Through 2005 2004 Taxes for the 2005 Budget						
Budget Year	City	County	WSU	State	USD 259	Total
1991	29.268	23.423	1.452	1.5	74.712	130.355
1992	29.607	23.831	1.499	1.500	90.203	146.640
1993	29.594	24.235	1.501	1.500	49.590	106.420
1994	31.472	26.666	1.500	1.500	51.143	112.281
1995	31.290	26.622	1.500	1.500	52.508	113.420
1996	31.443	26.660	1.500	1.500	53.609	114.712
1997	31.247	26.561	1.500	1.500	51.874	112.682
1998	31.225	28.717	1.479	1.500	44.383	107.304
1999	31.253	28.138	1.500	1.500	39.636	100.027
2000	31.406	27.199	1.500	1.500	37.526	99.131
2001	31.359	27.057	1.543	1.500	46.163	107.622
2002	31.474	27.154	1.500	1.500	54.926	116.554
2003	31.845	27.276	1.500	1.500	51.839	113.960
2004	31.905	27.322	1.495	1.500	51.408	113.630
2005	31.828	27.263	1.500	1.500	51.296	113.387

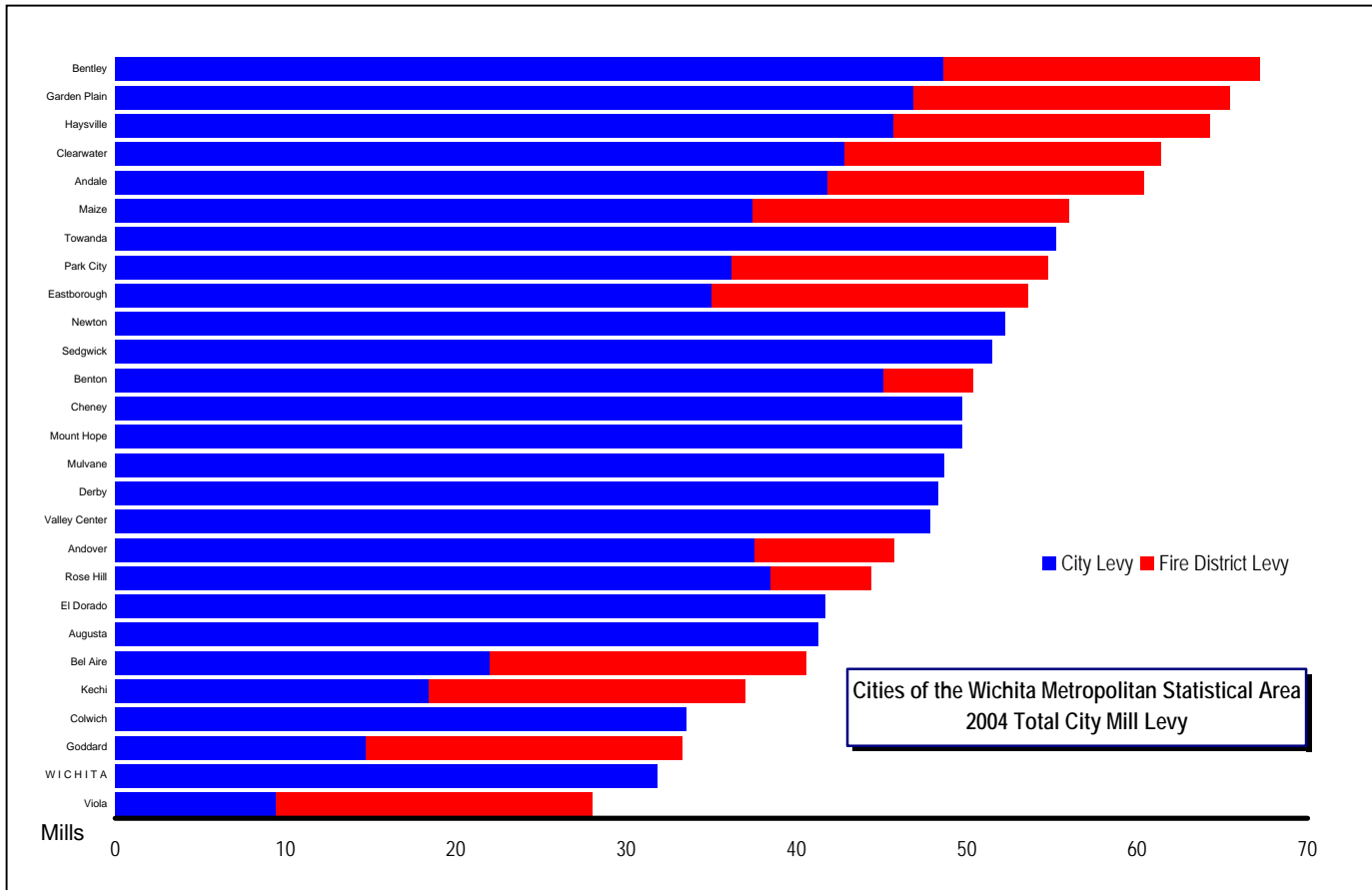
\* Tax levies based provided by the Sedgwick County Clerk.



Wichita has a lower mill levy than sixteen of the twenty-four Kansas cities of the first class. The eight cities with a lower mill levy than that of Wichita all impose a local city sales tax in addition to the local county sales tax.



Source: *Kansas Tax Rate & Fiscal Data Book*, League of Kansas Municipalities, March 2005.

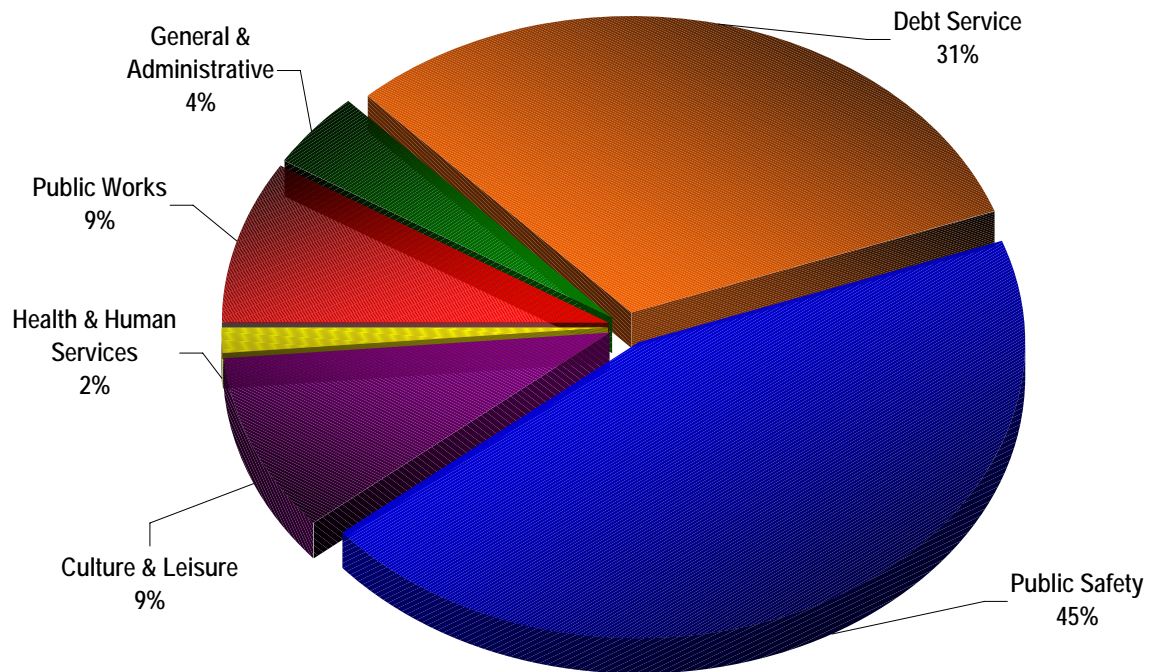


Selected Cities of the Wichita Metropolitan Statistical Area 2004 Population and Mill Levies				
City	Population	City Levy	Fire District Levy	Total Levy
Bentley	405	48.616	18.579	67.195
Garden Plain	807	46.852	18.579	65.431
Haysville	9,545	45.673	18.579	64.252
Clearwater	2,202	42.846	18.579	61.425
Andale	789	41.845	18.579	60.424
Maize	2,042	37.397	18.579	55.976
Towanda	1,338	55.218	-	55.218
Park City	6,877	36.178	18.579	54.757
Eastborough	810	35.006	18.579	53.585
Newton	17,977	52.224	-	52.224
Sedgwick	1,637	51.480	-	51.480
Benton	816	45.131	5.233	50.364
Cheney	1,843	49.742	-	49.742
Mount Hope	843	49.730	-	49.730
Mulvane	5,536	48.633	-	48.633
Derby	19,200	48.331	-	48.331
Valley Center	5,167	47.813	-	47.813
Andover	8,222	37.559	8.212	45.771
Rose Hill	3,710	38.501	5.898	44.399
El Dorado	12,686	41.660	-	41.660
Augusta	8,486	41.233	-	41.233
Bel Aire	6,522	21.975	18.579	40.554
Kechi	1,174	18.431	18.579	37.010
Colwich	1,278	33.508	-	33.508
Goddard	2,932	14.720	18.579	33.299
<b>WICHITA</b>	<b>354,617</b>	<b>31.828</b>	<b>-</b>	<b>31.828</b>
Viola	215	9.420	18.579	27.999



## BUDGET FACTS

### Total City Tax Support by Function



2006 Funding Sources for General Fund Budgets, presented by function						
Funding Source	Public Safety	Public Works/ Transportation	Culture and Recreation	Health and Human Services	Administration and General	Total
<b>Current property taxes:</b>						
Dollars (1000's)	\$ 35,632,372	\$ 6,968,667	\$ 7,591,592	\$ 1,264,360	\$ 3,406,029	\$ 54,863,020
Percent of budget	36%	19%	31%	33%	26%	31%
<b>Other general funding:</b>						
Dollars (1000's)	53,388,866	9,687,972	10,553,970	1,757,742	3,721,261	\$ 79,109,810
Percent of budget	55%	26%	43%	45%	28%	45%
<b>Department-generated:</b>						
Dollars (1000's)	8,616,430	20,984,450	6,626,540	841,700	1,875,600	\$ 38,944,720
Percent of budget	9%	56%	27%	22%	14%	22%
<b>Administrative charges:</b>						
Dollars (1000's)	0	0	0	0	4,107,620	\$ 4,107,620
Percent of budget	0%	0%	0%	0%	31%	2%
<b>Total funding</b>	<b>\$ 97,637,668</b>	<b>\$ 37,641,089</b>	<b>\$ 24,772,101</b>	<b>\$ 3,863,802</b>	<b>\$ 13,110,510</b>	<b>\$ 177,025,170</b>



The property tax subsidy is the amount left after all other revenue sources are allocated and subtracted. Other revenues include those directly generated by the department, administrative services provided to non-General Fund departments, and general sources (for example, franchise fees and local sales tax).

By Department	2006 ADOPTED BUDGET		Tax support	Tax support	Tax support
	Property Tax Subsidy	Total Property Tax Levied (\$)*	by owner of home valued at \$50,000	by owner of home valued at \$75,000	by owner of home valued at \$100,000
Police	22,068,890	23,477,550	\$50.49	\$75.73	\$100.97
Fire	12,275,870	13,059,440	\$28.08	\$42.13	\$56.17
Public Works & Flood Control	5,525,250	5,877,930	\$12.64	\$18.96	\$25.28
Park	4,496,320	4,783,320	\$10.29	\$15.43	\$20.57
Library	2,559,770	2,723,160	\$5.86	\$8.78	\$11.71
Transit	1,443,420	1,535,550	\$3.30	\$4.95	\$6.60
Environmental Services	1,253,900	1,333,940	\$2.87	\$4.30	\$5.74
Finance	1,006,430	1,070,670	\$2.30	\$3.45	\$4.60
Municipal Court	898,810	956,180	\$2.06	\$3.08	\$4.11
City Manager	827,950	880,800	\$1.89	\$2.84	\$3.79
Nondepartmental	575,900	612,660	\$1.32	\$1.98	\$2.63
Art Museum	535,500	569,680	\$1.23	\$1.84	\$2.45
Human Resources	449,410	478,100	\$1.03	\$1.54	\$2.06
Law	388,780	413,590	\$0.89	\$1.33	\$1.78
Planning	303,700	323,080	\$0.69	\$1.04	\$1.39
City Council	253,110	269,260	\$0.58	\$0.87	\$1.16
<b>General Fund</b>	<b>\$54,863,020</b>	<b>\$58,364,910</b>	<b>\$125.51</b>	<b>\$188.27</b>	<b>\$251.02</b>
<b>Debt Service Fund</b>	<b>\$25,134,240</b>	<b>\$26,738,550</b>	<b>\$57.50</b>	<b>\$86.25</b>	<b>\$115.00</b>
<b>TOTAL CITY TAX BILL</b>	<b>\$79,997,260</b>	<b>\$85,103,460</b>	<b>\$183.01</b>	<b>\$274.52</b>	<b>\$366.02</b>
<b>By Function</b>					
Public Safety	35,632,370	37,906,780	\$81.52	\$122.28	\$163.03
Public Works/Transportation	6,968,670	7,413,480	\$15.94	\$23.91	\$31.88
Culture and Recreation	7,591,590	8,076,160	\$17.37	\$26.05	\$34.73
Health and Human Services	1,264,360	1,345,060	\$2.89	\$4.34	\$5.78
Administration and General	3,406,030	3,623,440	\$7.79	\$11.69	\$15.58
<b>General Fund</b>	<b>\$54,863,020</b>	<b>\$58,364,920</b>	<b>\$125.51</b>	<b>\$188.27</b>	<b>\$251.02</b>
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<b>TOTAL CITY TAX BILL</b>	<b>\$79,997,260</b>	<b>\$85,103,470</b>	<b>\$183.01</b>	<b>\$274.52</b>	<b>\$366.02</b>

\* The total levy includes a delinquency allowance of 6 percent. The City levy, expressed in mills, is estimated at 31.828 (General Fund and Debt Service Fund). It is based on an assessed valuation of \$2.673 billion.

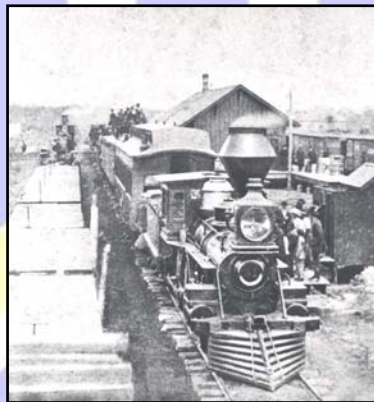


## ECONOMIC INDICATORS

Consumer Price Index	Rate
Reported Change from December 2003 to December 2004 <sup>1</sup>	
US City average	3.0%
Midwest urban cities	3.3%
Projected Change from December 2004 to December 2005 <sup>2</sup>	
US City average	2.4%
Source: <sup>1</sup> U.S. Department of Labor <sup>2</sup> Congressional Budget Office	

Wichita MSA Selected Economic Indicators	Rate
Projected Percent Change December 2003 to December 2004	
Total employment growth	1.6%
Manufacturing employment	3.5%
Other employment	1.7%
Projected annual average change 2005 – 2010	
Total employment	1.6%
Manufacturing employment	2.0%
Source: <a href="#">Wichita State University Center for Economic Development and Business Research (CEDBR)</a>	

City of Wichita Financial Projections Selected Economic Indicators	Rate
Actual growth in 2004 assessed valuation (for the 2005 budget year)	3.5%
Projected growth in 2005 assessed valuation (for the 2006 budget year)	5.0%
Average annual growth in assessed valuation 2007 – 2010	4.0%
Average annual growth in local sales, 2006 – 2010	2.5%
Average annual increase in revenues from rentals and user fees, 2006 – 2010	3.4%
Average annual increase in revenues from licenses and permits, 2006 – 2010	2.8%
Average annual increase in total General Fund expenditures, 2006 – 2010	3.2%
Estimated interest earnings from cash flow and funds balances, 2005	1.8%



## RAILROAD

*From its earliest days, Wichita has been a community that values business and entrepreneurship. One of the earliest and best successes involved a "partnering" of local government and private business for a substantial bond issue that brought rail service to Wichita.*

*In 1872, a branch of the Santa Fe Railroad arrived in Wichita and the town busted "wide open." A sign was erected outside the town proclaiming: "Everything goes in Wichita!" Four hundred thousand cattle were shipped in the first year. By 1873, Wichita was the main "cowtown" for the Santa Fe Railroad.*

*That model of partnering is still a prominent goal and cornerstone of the City's economic development strategy.*





## ARTS AND CULTURAL FUNDING (GENERAL FUND)

### COMPARISON OF COMMITTEE RECOMMENDATIONS AND 2006 ADOPTED AMOUNTS

	2005 REVISED	2006 COMMITTEE RECOMMENDATION	2006 ADOPTED
Wichita Art Museum	1,412,920	1,512,920	1,518,000
Botanica	364,140	403,140	403,1400
Cowtown Museum	241,850	335,850	335,850
Mid-American All Indian Center	151,680	151,680	151,680
Wichita Historical Museum	106,520	119,520	119,520
Ks African American Museum	2,250	77,250	77,250
The Orpheum	0	48,500	48,500
Wichita Symphony	0	40,000	40,000
Arts Partners	0	35,000	35,000
Chamber Music at the Barn	0	30,000	30,000
Ulrich Museum	0	25,000	25,000
Music Theatre Young People	0	5,000	5,000
Desperate Characters	0	3,000	3,000
Opera Kansas	0	7,500	7,500
Wichita Chamber Chorale	0	5,000	5,000
Ks Firefighters	0	10,000	10,000
Ks Aviation Museum	0	50,000	50,000
Wichita Asian Assoc.	0	7,000	7,000
Theatre on Consignment	0	3,000	3,000
Metro Ballet	0	7,000	7,000
El Pueblo	0	7,500	7,500
Museum of World Treasures	0	20,000	20,000
Fisch Haus	0	7,000	7,000
Storytelling	0	5,000	5,000
Decorative Arts	0	10,000	10,000
Wichita Grand Opera	0	10,000	10,000
Exploration Place	0	62,500	62,500
Sedgwick County Center for the Arts	6,540	6,540	6,540
<b>Total</b>	<b>\$ 2,285,900</b>	<b>\$3,004,900</b>	<b>\$3,009,980</b>
Equivalent Mill levy (2005 for 2006 Budget)	0.85	1.12	1.13

*Additional Funding over 2005 Base*

*719,000*

*724,080*

Note: The 2006 Adopted City Manager's Office budget, Arts and Cultural Services Division (page 14 of Volume II) includes the additional \$719,000 of funding.



## ARTS AND CULTURAL FUNDING - 2006 ADOPTED

ITEM, AGENCY, OR ATTRACTION	DIRECT OPERATING SUBSIDY	MAINTENANCE SUBSIDY	DEBT SERVICE OR CAPITAL CONTRIBUTION	IN-KIND	TOTAL
<b>General Fund</b>					
Arts Partners	35,000	0	0	0	35,000
Boathouse*	40,620	18,620	0	3,970	63,210
Botanica*	271,500	125,410	0	3,540	400,450
Century II*	1,936,810	540,050	0	46,370	2,523,230
Chamber Music at the Barn	30,000	0	0	0	30,000
CityArts	590,370	0	0	30,780	621,150
Cowtown*	180,320	155,530	0	0	335,850
Decorative Arts	10,000	0	0	0	10,000
Desperate Characters	3,000	0	0	0	3,000
El Pueblo	7,500	0	0	0	7,500
Exploration Place	62,500	0	0	0	62,500
Expo Hall*	920,450	124,140	0	38,600	1,083,190
Farm and Art Plaza*	15,560	0	0	0	15,560
Fisch Haus	7,000	0	0	0	7,000
Great Plains Nature Center	209,510	0	0	9,970	219,480
Historical Museum*	106,000	13,520	0	160	119,680
Kansas African-American Museum	77,250	0	0	0	77,250
Ks Aviation Museum	50,000	0	0	0	50,000
Ks Firefighters	10,000	0	0	0	10,000
Lawrence-Dumont Stadium*	0	117,470	0	0	117,470
Metro Ballet	7,000	0	0	0	7,000
Mid-America All Indian Center*	57,900	95,920	0	0	153,820
Museum of World Treasures	20,000	0	0	0	20,000
Music Theatre Young People	5,000	0	0	0	5,000
Opera Kansas	7,500	0	0	0	7,500
Storytelling	5,000	0	0	0	5,000
The Orpheum	48,500	0	0	0	48,500
Theatre on Consignment	3,000	0	0	0	3,000
Ulrich Museum	25,000	0	0	0	25,000
Wellington Place*	0	21,210	0	0	21,210
Sedgwick Co. Center for the Arts	6,540	0	0	0	6,540
Wichita Art Museum* (WAM)	1,379,960	138,040	0	26,070	1,544,070
Wichita Asian Assoc.	7,000	0	0	0	7,000
Wichita Chamber Chorale	5,000	0	0	0	5,000
Wichita Grand Opera	10,000	0	0	0	10,000
Wichita Symphony	40,000	0	0	0	40,000
<b>General Fund Subtotal</b>	<b>6,190,790</b>	<b>1,349,910</b>	<b>0</b>	<b>159,460</b>	<b>7,700,160</b>



## ARTS AND CULTURAL FUNDING - 2006 ADOPTED (CONTINUED)

ITEM, AGENCY, OR ATTRACTION	DIRECT OPERATING SUBSIDY	MAINTENANCE SUBSIDY	DEBT SERVICE OR CAPITAL CONTRIBUTION	IN-KIND	TOTAL
<b>Tourism and Convention Fund</b>					
Convention and Visitor's Bureau	1,750,230	0	0	0	1,750,230
Convention Promotion					
Contingency	100,000	0	0	0	100,000
ABC Bowling Tournament	100,000	0	0	0	100,000
Kansas Flight Festival	75,000	0	0	0	75,000
Tourism Website	70,000	0	0	0	70,000
Tourism Research/Marketing	75,000	0	0	0	75,000
Century II Stop Loss	180,000	0	0	0	180,000
Expo Hall Stop Loss	145,000	0	0	0	145,000
CII/Expo Renovations	0	0	830,000	0	830,000
CII /Expo Energy Complex DS	0	0	261,350	0	261,350
Conference Center DS	0	0	1,215,000	0	1,215,000
Conference Center Parking					
Garage DS	0	0	318,500	0	318,500
<b>T&amp;C Fund Subtotal</b>	<b>2,495,230</b>	<b>0</b>	<b>2,624,850</b>	<b>0</b>	<b>5,120,080</b>
<b>Debt Service Fund</b>					
Wichita Art Museum expansion DS	0	0	625,260	0	625,260
<b>Debt Service Fund Subtotal</b>	<b>0</b>	<b>0</b>	<b>625,260</b>	<b>0</b>	<b>625,260</b>
<b>Other Funds</b>					
Kansas Sports Hall of Fame DS	0	0	123,050	0	123,050
<b>Other Funds Subtotal</b>	<b>0</b>	<b>0</b>	<b>123,050</b>	<b>0</b>	<b>123,050</b>
<b>TOTAL</b>	<b>8,686,020</b>	<b>1,349,910</b>	<b>3,373,160</b>	<b>159,460</b>	<b>13,568,550</b>

\*Facilities owned by the City of Wichita

CDBG = Community Development Block Grant



**ORPHEUM**



**HATTIE MCDANIEL**

Hattie was born on June 10, 1895 in Wichita, Kansas, the daughter of a Baptist minister and a spiritual singer. At the age of 15 she won a medal in dramatic art, but later started her career as a band vocalist. She started singing on what was known as the Orpheum circuit. She became the first African American to sing on network radio in the United States. In 1931, she went to Hollywood to seek a film career and began as an extra before capturing larger roles. She played numerous roles in film and on radio starring with actors like Katherine Hepburn and Clark Gable. In 1940 she became the first African American to win the Oscar. She won for her performance as Mammy in the ever-famous *Gone With the Wind*.



## BUDGET LAW

### (KANSAS STATUTES ANNOTATED)

#### 79-1973. TEMPORARY SUSPENSION OF STATUTORY FUND AND AGGREGATE LEVY LIMITATIONS ON TAXING SUBDIVISIONS.

(a) In 1983, all existing statutory fund and aggregate levy limitations on taxing subdivisions are suspended. In such year, any taxing subdivision is authorized either to levy taxes upon tangible property which produces an amount not in excess of the amount which was authorized to be levied by such taxing subdivision in the next preceding year or levy taxes upon tangible property at a rate not exceeding the existing statutory fund or aggregate levy limitation. The tax levy required to produce the amount allowed by the provisions of this subsection shall be the levy limit for 1986, 1987 and 1988 unless such tax levy is less than the existing statutory fund or aggregate levy limitation, in which case such statutory fund or aggregate levy limitation shall apply.

(b) As used in this section, "taxing subdivision" means every taxing district in the state other than the state.

(c) Nothing in this act shall apply to the limitations on aggregate tax levies imposed by the provisions of K.S.A. 79-5001 to 79-5016, inclusive, and amendments thereto.

#### 79-2925. BUDGETS OF TAXING BODIES; APPLICATION OF ACT; EXCEPTIONS; DEFINITIONS.

(a) This act shall apply to all taxing subdivisions or municipalities of the state, except:

- (1) Townships in counties having the county road unit system which have an annual expenditure of less than two hundred dollars;
- (2) Money received by such taxing subdivision or municipality as a gift or bequest;
- (3) Revolving fund set up for the operation of a municipal airport. Any city, board of park commissioners, or other agency designated and authorized to operate a municipal airport is hereby authorized to set up a revolving fund for use as an operating fund, either out of the budget or out of the receipts from the operation of such airport, in an amount as may be reasonable and necessary as an operating fund for the efficient and business-like operation of such airport. The financial transactions of said airport shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Profits arising from the operation of the airport after the payment of all necessary operating expenses and the establishment of the revolving fund shall be applied to reduce the tax levy for the budgeted fund under which the operation of such airport is financed;

(4) Any special recreation facilities reserve set up by the board of park commissioners in any city for the repair, replacement, or addition to the recreation facilities of such city. The financial transactions of said recreation facilities shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Profits arising from the coliseum events fund and the coliseum concessions, after the payment of all necessary expenses, and the establishment and maintenance of such special recreation facilities reserve shall be applied to reduce the tax levy for the budget fund under which the operation of such recreation facilities is financed; and

(5) Any special recreation facilities fund set up by the board of county commissioners for the operation of a county coliseum. The financial transactions of the special recreation facilities fund shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Moneys derived from the operation of a county coliseum and deposited in the special recreation facilities fund shall be applied to reduce the tax levy for the budget fund under which the operation of such county coliseum is financed.

(b) Whenever the term "fund" is used in this act it is intended to have reference to those funds which are authorized by statute to be established. "Fund" is not intended to mean the individual budgeted items of a fund, but is intended to have reference to the total of such individual items.

(c) Whenever the term "director" is used in this act it shall mean the state director of property valuation.

#### 79-2926. BUDGET FORMS PRESCRIBED; FURNISHED BY DIRECTOR OF ACCOUNTS AND REPORTS; DUTIES OF CERTAIN OFFICERS.

The director of accounts and reports shall prepare and prescribe forms for the annual budgets of all taxing subdivisions or municipalities of the state. Such forms shall show the information required by this act and by K.S.A. 1973 Supp. 79-4401 *et seq.* [1], necessary and proper to fully disclose complete information as to the financial condition of such taxing subdivision or municipality, and the receipts and expenditures thereof, both past and anticipated. All such budget and tax levy forms shall be printed by the director of printing and in such quantity as required by the director. The director shall deliver the forms for all school districts to the clerk of the board of education of each school district. The forms for all other taxing subdivisions or municipalities of the state shall



be delivered by the director to the county clerk of each county, who shall immediately deliver the same to the presiding officer of the governing body of the said respective taxing subdivisions or municipalities within the county.

Whenever in article 29 of chapter 79 of Kansas Statutes Annotated the words state auditor or auditor of state, or words of like effect, occur, the same shall mean director of accounts and reports.

**79-2927. ITEMIZED BUDGET; PARALLEL COLUMNS SHOWING CORRESPONDING ITEMS AND REVENUE; NON-APPROPRIATED BALANCES; BALANCED BUDGET REQUIRED.** The governing body of each taxing subdivision or municipality shall meet not later than the first day of August of each year, and shall prepare in writing on forms furnished by the director of accounts and reports a budget itemized and classified by funds and showing amounts to be raised by taxation and from other sources for the ensuing budget year. The budget shall show in parallel columns all amounts and items to be expended for the ensuing budget year and the amounts appropriated for corresponding or other items during the current budget year and amounts expended for corresponding or other items during the preceding budget year. The budget for each fund shall not include any item for sundry or miscellaneous purposes in excess of 10% of the total. Except for school districts, municipal universities and community colleges, the budget for each fund may include a non-appropriated balance of not to exceed 5% of the total of each fund.

The budget shall show in parallel columns the amount of revenue actually received from taxation and from other sources, with the amount from each source separately stated for the preceding budget year and the amount actually received and estimated to be received from taxation and from sources other than direct taxation with the amount for each source separately stated for the current budget year and also the amount estimated to be received during the ensuing budget year, with the amount estimated to be received from each source separately stated. The budget of expenditures for each fund shall balance with the budget of revenues for such fund and that portion of the budget of revenues to be derived from ad valorem property taxation shall not exceed the amount of tax which can be raised by any fund limit or aggregate limit placed upon such fund.

**79-2929. PROPOSED BUDGET; AMENDMENTS; PUBLIC HEARING; NOTICE, PUBLICATION AND CONTENTS.** Prior to the filing of the adopted budget with the county clerk, the governing body of each taxing or political subdivision or municipality shall meet for the purpose of answering and hearing objections of taxpayers relating to the proposed budget and for the purpose of considering amendments to such proposed budget. The governing body shall give at least 10 days' notice of the time and place of the meeting by publication in a weekly or daily newspaper of the county having a general circulation therein.

Such notice shall include the proposed budget and shall set out all essential items in the budget except such groupings as designated by the director of accounts and reports on a special publication form prescribed by the director of accounts and reports and furnished with the regular budget form. The notice of a governing body of any taxing subdivision or municipality having an annual expenditure of \$500 or less shall specify the time and place of the meeting required by this section but shall not be required to include the proposed budget of such taxing subdivision or municipality.

**79-2930. SUBMISSION OF ADOPTED BUDGETS AND ADDITIONAL INFORMATION PERTAINING THERETO TO COUNTY CLERK; DUTIES OF COUNTY CLERK; LIMITATION ON TAXES LEVIED, EXCEPTION.**

(a) Two copies of the budget certificate giving the amount of ad valorem tax to be levied and the total amount of the adopted budget of expenditures by fund, along with itemized budget forms for each and every fund and proof of publication of the notice of budget hearing containing the budget summary shall be presented to the county clerk within the time prescribed by K.S.A. 79-1801 as amended. Where action has been taken under any statute to increase the amount of tax to be levied authorized by law, a statement showing the increased amount or tax levy rate voted, or a copy of the charter resolution or ordinance making the change, shall be attached to the budget each year the change is in effect.

(b) The county clerk shall make any reductions to the ad valorem tax to be levied, compute the tax levy rates based on the final equalized assessed valuation, and enter such on the budget certificate before attesting the budget. A copy of all budgets for taxing subdivisions of the county, properly attested, shall be filed with the director of accounts and reports, along with a copy of the tax levy rate summary required of the county treasurer by K.S.A. 79-2002, and amendments thereto.

(c) Each fund of the adopted budget certified to the county clerk in no event shall exceed the amount of ad valorem tax to be levied and the proposed expenditures of such fund in the proposed budget as originally published. The governing body of each taxing subdivision shall not certify an amount of ad valorem taxes to be levied that is in excess of any tax levy rate or amount limitations or any aggregate tax levy limitations. The governing bodies, in fixing the amount may take into consideration and make allowance for the taxes which may not be paid, such allowance, however, shall not exceed by more than 5% the percentage of delinquency for the preceding tax year.

**79-2933. TIME FOR BUDGET HEARING; ADOPTION; VALIDITY OF LEVIES.** The hearing herein required to be held upon all budgets by all taxing subdivisions or municipalities of the state shall be held not less than ten (10) days prior to the date on which they shall certify their annual levies to the county clerk as required by law. After such hearing the budget shall be





adopted or amended and adopted as amended, but no levy shall be made until and unless a budget is prepared, published and filed, but no levy of taxes shall be invalidated because of any insufficiency, informality, or delay in preparing, publishing and filing said budget.

**79-2934. FUNDS APPROPRIATED BY BUDGET; BALANCES; DUTIES OF CLERKS AND OFFICERS; DISTRIBUTION OF TAX PROCEEDS.** The budget as approved and filed with the county clerk for each year shall constitute and shall hereafter be declared to be an appropriation for each fund, and the appropriation thus made shall not be used for any other purpose. No money in any fund shall be used to pay for any indebtedness created in excess of the total amount of the adopted budget of expenditures for such fund. Any balance remaining in such fund at the end of the current budget year shall be carried forward to the credit of the fund for the ensuing budget year. The clerk or secretary of each taxing subdivision or municipality shall open and keep an account of each fund, showing the total amount appropriated for each fund, and shall charge such appropriation with the amount of any indebtedness created at the time such indebtedness is incurred. If any indebtedness is reimbursed during the current budget year and the reimbursement is in excess of the amount which was shown as reimbursed expense in the budget of revenues for the current budget year, the charge made shall be reduced by the amount of the reimbursement.

No part of any fund shall be diverted to any other fund, whether before or after the distribution of taxes by the county treasurer, except as provided by law. The county treasurer shall distribute the proceeds of the taxes levied by each taxing subdivision in the manner provided by K.S.A. 12-1678a, and amendments thereto.

**79-2935. CREATION OF INDEBTEDNESS IN EXCESS OF BUDGET UNLAWFUL; EXCEPTIONS.** It shall be unlawful for the governing body of any taxing subdivision or municipality in any budget year to create an indebtedness in any manner or in any fund after the total indebtedness created against such fund shall equal the total amount of the adopted budget of expenditures for such fund for that budget year. Any indebtedness incurred by the governing body or any officer or officers of such taxing subdivision or municipality in excess of said amount shall be void as against such taxing subdivision or municipality: *Provided*, That indebtedness may be created in excess of the total amount of the adopted budget of expenditures for the current budget year only when payment has been authorized by a vote of the municipality, or when provision has been made for payment by the issuance of bonds, or when provision has been made for payment by the issuance of warrants authorized by the commission in accordance with the provisions of K.S.A. 79-2938, 79-2939 and 79-2940.

**79-2936. REMOVAL FROM OFFICE FOR VIOLATION.** Any member of the governing body, or any other officer of any taxing subdivision or municipality of the state, who violates any of the provisions of this act shall be subject to removal from office.



# CASH BASIS LAW

## (KANSAS STATUTES ANNOTATED)

**10-1101. DEFINITIONS.** The following words, terms and phrases, when used in this act, shall have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(a) "Municipality" means any county, township, city, municipal university, school district, community college, drainage district and any other taxing district or political subdivision of the state which is supported with tax funds.

(b) "Governing body" means the governing body of a municipality.

(c) "Person" means any person, partnership, association or corporation.

(d) "Claim" means any claim arising on contract express or implied, or a claim determined by final judgment, but shall not include claims arising from alleged tort or negligence on the part of the municipality.

**10-1102. CASH BASIS FOR MUNICIPALITIES.** All municipalities are required to pay or refinance their valid indebtedness as in this act provided, in the manner and at the times herein set forth, and to contract no indebtedness after May 1, 1933, except as herein provided. It is hereby declared that the purpose of this act is to provide for the funding and payment of all legal debts and obligations except present bonded indebtedness of all municipalities and for the future conduct of the financial affairs of such municipality upon a cash basis.

**10-1112. ISSUANCE OF WARRANTS AND OTHER EVIDENCES OF INDEBTEDNESS UNLAWFUL.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the governing body of any municipality to create any indebtedness in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose, or to authorize the issuance of any order, warrant, or check, or other evidence of such indebtedness of such municipality in excess of the funds actually on hand in the treasury of such municipality at the time for such purpose.

**10-1113. CREATING INDEBTEDNESS IN EXCESS OF FUNDS UNLAWFUL; EXCEPTIONS.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for any member of any governing body of any municipality to knowingly vote for or in any manner aid or promote the passage or adoption of any order, motion, ordinance, resolution, legislation or other act of said governing body, creating an indebtedness in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose, or to knowingly vote for the drawing of any order, warrant or check, or other evidence of such indebtedness on the treasury of said municipality, in payment of any such indebtedness, in excess

of the amount of funds actually on hand in the treasury at the time for such purpose. School districts and community junior colleges, may, however, issue cancelable purchase orders for school supplies and equipment, school buses, books purchased in conjunction with textbook rental programs and data processing equipment in advance of the budget year during which moneys will become available to pay for such purposes, but contracts for the purchase of such school supplies and equipment, books, buses and data processing equipment cannot be entered into except during the budget year in which moneys will become available for such purchases and risk of loss and title thereto shall not pass to the school district or community junior college prior to entering into such contracts. Issuance of such a cancelable purchase order shall not constitute an indebtedness within the meaning of K.S.A. 79-2935.

**10-1114. CLERKS NOT TO ISSUE OR SIGN ORDERS.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the clerk or secretary of any governing body of any municipality to knowingly issue, attest, sign or countersign any order, warrant, check or other evidence of indebtedness, on the treasury of the municipality, in payment of any indebtedness of such municipality created by the governing body of such municipality in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose.

**10-1115. TREASURERS NOT TO PAY ORDERS.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the treasurer of any municipality to knowingly pay any order, warrant, check or other evidence of indebtedness out of the treasury of such municipality in excess of the amount of funds actually on hand in the treasury at the time for such purpose.

**10-1116. LIMITS OF INDEBTEDNESS MAY BE EXCEEDED, WHEN; CREATING INDEBTEDNESS IN VIOLATION OF ACT UNLAWFUL.**

(a) The limits of indebtedness prescribed under the provisions of article 11 of chapter 10 of Kansas Statutes Annotated may be exceeded when:

- (1) Payment has been authorized by a vote of the electors of the municipality;
- (2) Provision has been made for payment by the issuance of bonds or temporary notes as provided by law;
- (3) Provision has been made for payment by the issuance of no-fund warrants authorized by law and in the manner, and limited in amount as prescribed by law;
- (4) Provision has been made for a revolving fund for the operation of any municipal airport financed and sustained partially or wholly by fees, rentals, proceeds from the sale of merchandise or charges





for rendering services, received from the users of such airport; or

- (5) Provision has been made for payment pursuant to a service agreement entered into pursuant to K.S.A. 12-5503.

(b) Notwithstanding any other limits of indebtedness prescribed under the provisions of article 11 of chapter 10 of Kansas Statutes Annotated, the following funds shall have as a limit of indebtedness an amount equal to 100% of the accrued revenue of the current fiscal year plus any balances carried forward, cash reserves, intergovernmental grants, and sums advanced to qualify for intergovernmental grants:

(1) Special recreation facilities reserve funds set up by any board of park commissioners or any municipality for a revolving fund for the repair, replacement or addition to recreational facilities;

(2) Enterprise funds set up in any municipality to account for the financing of self-supporting activities of governmental units which render services on a user charge basis to the general public, such as municipal utilities engaged in the provision of water, electricity and natural gas and sanitary sewer systems which are financed by user charges; or

(3) Intra-governmental service funds or working capital funds established in any municipality to finance and account for services and commodities furnished by a designated agency of a governmental unit to other departments of the same governmental unit such as funds established for central garages and motor pools, central printing and duplicating services and central purchasing and stores departments.

The board of education of any school district, the board of regents of any municipal university or the board of trustees of any community college may enter into contracts for teachers and other necessary employees and for continuing operating expenses in excess of the amount of funds actually on hand for that purpose. The limit of indebtedness provided by this section shall never exceed 100% of the amount actually expended for school purposes for the last preceding fiscal year during which school was conducted.

(c) It shall be unlawful for any member of the governing body of any municipality, as defined in K.S.A. 10-1101, and amendments thereto, to knowingly vote for or in any manner aid or promote the entering into of any contract or the creation of any other indebtedness in violation of the provisions of this section.

**10-1116A. EXEMPTIONS FROM CASH BASIS LAW; MUNICIPAL UTILITIES; ISSUANCE OF NO-FUND WARRANTS; DROUGHT EMERGENCIES.** The provisions of this act shall not apply to expenditures in excess of current revenues made for municipally owned and operated utilities out of the fund of such utilities caused by, or resulting from the meeting of, extraordinary emergencies including drought emergencies. In

such cases expenditures in excess of current revenues may be made by declaring an extraordinary emergency by resolution adopted by the governing body and such resolution shall be published at least once in a newspaper of general circulation in such city. Thereupon, such governing body may issue interest bearing no-fund warrants on such utility fund in an amount, including outstanding previously issued no-fund warrants, not to exceed 25% of the revenues from sales of service of such utility for the preceding year. Such warrants shall be redeemed within three years from date of issuance and shall bear interest at a rate of not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a drought emergency, the governing body may issue such warrants for water system improvement purposes in an amount not to exceed 50% of the revenue received from the sale of water for the preceding year. Such warrants shall be redeemed within five years from the date of issuance and shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto.

**10-1116B. LEASE, LEASE-PURCHASE OR INSTALLMENT-PURCHASE AGREEMENTS; AGREEMENTS FOR ELECTRIC INTERCONNECTION OR TRANSMISSION FACILITIES; WHEN ALLOWED UNDER CASH-BASIS LAW.** Nothing in the provisions of K.S.A. 10-1101 *et seq.*, and amendments thereto, shall prohibit a municipality from entering into (1) an agreement to pay for electric interconnection or transmission facilities or services, (2) a lease agreement, without an option to buy, or (3) a lease-purchase agreement, if any of such agreements specifically state that the municipality is obligated only to pay periodic payments or monthly installments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality's current budget year or (b) funds made available from any lawfully operated revenue producing source. For the purpose of this act, a lease-purchase agreement shall include a lease with an option to buy or an installment-purchase agreement.

**10-1116C. LEASE-PURCHASE AGREEMENTS; CONDITIONS; PROTEST PETITION AND ELECTION, WHEN.** Any lease-purchase agreement entered into pursuant to this act shall be subject to the following conditions:

(a) If the proposed agreement is for a term exceeding the current fiscal year of the municipality, it shall be approved by a majority vote of all members of the governing body.

(b) If the proposed agreement involves the acquisition of land or buildings by a municipality other than a county, school district or community college, is for a term of three or more years, and provides for payments in any year in excess of 3% of the total amount budgeted by the municipality for expenditure during the current year, excluding debt service, a notice thereof specifying the purpose and the total of all payments shall be published once each week for two consecutive weeks in a newspaper of general circulation within such municipality. If, within 30 days following the last



publication of such notice, a petition in opposition to the agreement signed by not less than 5% of the qualified voters of such municipality is filed with the appropriate county election officer, no such agreement shall take effect unless and until the same is approved by a majority of the qualified voters of such municipality voting at an election thereon. Any such election shall be called and held in accordance with the provisions of K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act.

(c) If the municipality is a county, school district or community college and the proposed agreement involves the acquisition of land or buildings, is for a term exceeding the current fiscal year of the municipality, and provides for annual payments which in the aggregate exceed \$100,000, the governing body of such municipality first shall adopt a resolution stating its intent to enter into such lease-purchase agreement. The resolution shall specify the total of all payments to be made pursuant to the agreement and the purpose for which such agreement is to be entered into. The resolution shall be published once each week for two consecutive weeks in a newspaper of general circulation within the municipality. If a protest petition signed by not less than 5% of the qualified voters of the municipality, as determined by the vote for secretary of state at the last general election, is filed with the appropriate county election officer within 30 days following the last publication of the resolution, no such agreement shall take effect unless approved by a majority of the qualified voters of the municipality voting at an election thereon. Any such election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act. If no such protest petition is filed within the time limitation contained herein, the governing body of the municipality may enter into such agreement. If an election is held pursuant to a protest petition and a majority vote is cast in favor of the proposition, the governing body of the municipality shall have authority to enter into such agreement.

(d) If the proposed agreement is for a term exceeding the current fiscal year of the municipality, the agreement shall specify the following:

- (1) The amount or capital cost required to purchase the item if paid for by cash,
- (2) The annual average effective interest cost, and
- (3) The amount included in the payments for service, maintenance, insurance or other charges exclusive of the capital cost and interest cost.

**10-1117. CLERK OR SECRETARY; RECORD OF MONEYS; CONTRACTS AND INDEBTEDNESS OF MUNICIPALITY; RECORDS OF ORDERS, WARRANT CHECKS; EXHIBITION OF RECORDS UPON REQUEST; NOTICE.** The clerk or secretary of every municipality shall keep a record of the amount of money in the treasury and each particular fund and shall keep a record of all indebtedness and contracts creating a liability against the municipality. In such records there shall be shown the date of the making of the contract or the creation of the debt, the amount of the

contract or debt, the time payable, and the particular fund from which payment is to be made. Such clerk or secretary shall also keep a record of each order, warrant check or check, drawn on the treasury and paid, giving the date of payment. Such clerk or secretary shall, upon the request of any person, exhibit such records to such person and any person contracting with the municipality shall be chargeable with knowledge of what such records contain.

**10-1118. TREASURER; RECORD OF MONEYS ON HAND AND IN EACH FUND; EXHIBITION OF RECORD OR STATEMENT IN WRITING.**

The treasurer of every municipality shall keep a record of the amount of money on hand in the treasury, which record shall show at all times the amount of money in each particular fund. Such treasurer shall, upon the request of any person, exhibit such record to such person or give such person a statement in writing, showing the balances on hand in each of the funds of the municipality.

**10-1119. VOID CONTRACTS AND ORDERS.** Any contract entered into between the governing body of any municipality and any person, which violates the provisions of this act, shall be void, and any order, warrant, check or other evidence of indebtedness drawn on the treasurer of any municipality in violation of the provisions of this act shall be void.

**10-1120. EXCESS TAX LEVYING NOT BASIS OF PROTEST.** The levying of a tax by any municipality which raises more money than is used or needed for the tax year shall not be the basis of a protest by any taxpayer and all such protests shall be of no force or effect.

**10-1121. PENALTIES FOR VIOLATIONS.** Any member of any governing body of any municipality or any clerk or secretary or treasurer of any governing body of any such municipality who shall knowingly violate any of the provisions of this act shall be guilty of malfeasance in office and shall, by such violation, be subject to be removed from office and in addition any member of such governing body or clerk or secretary or treasurer of such municipality who shall violate any of the provisions of this act, or neglect or refuse to perform any duty herein imposed, shall be deemed guilty of a misdemeanor, and upon conviction thereof in a court of competent jurisdiction shall be subject to a fine of not less than \$10 nor more than \$1,000.

**10-1122. INVALIDITY OF PART.** Should the courts declare any section, clause or provision of this act unconstitutional, the decision shall affect only the section, clause or provision so declared to be unconstitutional, and shall not affect any other section, clause or provision of this act.



## DEBT LIMIT LAW

### (KANSAS STATUTES ANNOTATED)

**10-308. CITIES; LIMITATIONS.** (a) Except as provided in this section and K.S.A. 10-309, and amendments thereto, and in any other statute which specifically exempts bonds from the statutory limitations on bonded indebtedness, the limitation on bonded indebtedness of cities shall be governed by this section. The authorized and outstanding bonded indebtedness of any city shall not exceed 30% of the assessed valuation of the city.

(b) The authorized and outstanding bonded indebtedness of Olathe shall not exceed 35% of the assessed valuation of the city. The provisions of this subsection shall expire on June 30, 1990.

(c) For the purpose of this section, assessed valuation means the value of all taxable tangible property as certified to the county clerk on the preceding August 25 which includes the assessed valuation of motor vehicles as provided by K.S.A. 10-310, and amendments thereto.

**10-309. LIMITATION ON BONDED INDEBTEDNESS OF CITIES; EXCEPTIONS.** Notwithstanding the provisions of K.S.A. 10-308 and amendments thereto: (a) Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system; or

(b) Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any municipal utility; or

(c) Bonds issued by any city to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property, shall not be included in computing the total bonded indebtedness of the city for the purposes of determining the limitations on bonded indebtedness provided in K.S.A. 10-308 and amendments thereto.

**10-310. COMPUTATION OF VALUATION FOR BONDED INDEBTEDNESS LIMITATION PURPOSES.** The county clerk shall add (1) the taxable value of each motor vehicle, as shown on the application for registration for the previous year or as otherwise established in the manner prescribed by K.S.A. 79-5105, and amendments thereto, and (2) the taxable value of motor vehicles established in the manner prescribed by K.S.A. 79-1022, and amendments thereto, to the equalized assessed tangible valuation on the tax roll of each taxing subdivision in which such motor vehicle has acquired tax situs. The resulting total shall constitute the equalized assessed tangible valuation of the taxing subdivision for the computation of limitations upon bonded indebtedness and for all other purposes except the levying of taxes and the computation of limitations thereon.

**10-311. REVENUE BONDS AND MUNICIPALITY, DEFINED; REVENUE BONDS EXCLUDED FROM COMPUTATION OF BONDED INDEBTEDNESS.**

(a) "Revenue bonds" mean bonds issued by any municipality to be paid from the revenue derived from the operation of a publicly owned utility, instrumentality or facility

of a revenue producing character, or which are not general obligations of the issuing municipality.

(b) "Municipality" means any city, county, municipal or quasi-municipal corporation or other political subdivision of the state authorized to issue revenue bonds.

(c) Revenue bonds issued by a municipality shall not be included in computing the total bonded indebtedness of such municipality for the purpose of determining the limitations on bonded indebtedness of such municipality.

**10-427A. SAME; CONDITIONS AND LIMITATIONS; PROCEEDS, DISPOSITION AND INVESTMENT.** (a) Refunding bonds issued under the authority of K.S.A. 10-427, and amendments thereto, may be sold or exchanged for the bonds being refunded either as a whole or in installments at any time either at, before or after the maturity of the bonds being refunded. Such bonds shall be exempt from statutory limitations of bonded indebtedness and shall not be included in computing the total bonded indebtedness of the municipality for the purpose of applying any statute limiting the bonded indebtedness of the municipality.

(b) If refunding bonds are sold more than six months prior to the maturity or earliest prior redemption date of the bonds being refunded, the proceeds derived from the sale, together with any other moneys on hand, shall be placed in escrow under a trust agreement with a Kansas bank having full trust powers. The proceeds and moneys shall be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America or municipal obligations which are secured by direct obligations of the United States of America, and which shall mature or be subject to redemption by the holders thereof not later than the respective dates when the proceeds of the obligations together with the interest accruing thereon and any other moneys or investments held in escrow will be required for the purposes intended. The trust agreement shall pledge or assign the moneys and investments held in trust for the payment of the principal of the bonds being refunded and may pledge or assign the moneys and investments held in trust for the payment of the interest on the bonds being refunded and any redemption premium thereon. The trust agreement may pledge or assign any of the obligations or other moneys or investments, or interest accruing thereon, held in trust, which are in excess of the amount of the obligations and other moneys and investments held which is equal to the amount of the principal of the bonds to be refunded which comes due on the date for which the bonds may have been called for redemption or irrevocable instructions to call bonds for redemption have been given and any redemption premium thereon, for the payment of the principal of and interest on any or all of the refunding bonds and any redemption premium there on, and shall contain provisions for protecting and enforcing the rights and remedies of the holders of the bonds.



# FINANCIAL POLICIES AND GUIDELINES

## A. FINANCIAL POLICIES AND GUIDELINES (REVISED MARCH 1994)

The City of Wichita's financial policies set forth the basic framework for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, the policies assist the decision-making process of the City Council and the management. The financial policies provide guidelines for evaluating both current activities and proposals for future programs.

Most policies represent long-standing principles, traditions, and practices that guide the City and help to maintain its financial stability. They should be reviewed annually.

### OPERATING BUDGET POLICIES

1. The City attempts to maintain its present service level for all priority and essential services within existing tax rates, as adjusted for normal growth in the tax base. No new services are added without offsetting expenditure reductions or increases in tax revenues. A phase-in increase to the mill levy to restore the debt service levy to the 1992 level was completed in 1995. Loss of assessed value through the November 1992 classification amendment to the State Constitution required a one-time only mill levy increase (1993 taxes for the 1994 budget).
2. The City maintains a financial and budgetary control system to ensure adherence to the budget and an awareness of the financial environment, preparing quarterly reports to compare actual revenues and expenditures to budgeted amounts, analyzing operating surplus or deficit conditions, and balance sheets on all City funds.
3. The City integrates performance measurement and productivity indicators with the budget.
4. The City attempts to avoid layoffs in all actions to balance the budget. Any personnel reductions are scheduled to come primarily from attrition.
5. The City emphasizes efforts to reduce major cost centers.
6. Airport, Golf, Sewer, Water, and Storm Water enterprise funds are self-supporting.
7. Privatization, volunteerism, incentive programs, public/private partnerships and other alternatives are used whenever possible to provide services.
8. The City endeavors to mitigate subsidies for the Transit system.
9. Charges for internal services are set at the lowest possible level to maintain essential programs.

### REVENUE POLICIES

The City directs efforts to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source.

1. The City attempts to obtain additional major revenue sources as a way of insuring a balanced budget.

2. The City follows an aggressive revenue collection policy.
3. The City establishes all user charges and fees at a level related to the full cost (operating, direct, indirect, and capital) of providing the service.
4. The City reviews fees/charges annually and designs and modifies revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service. The City considers market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees, and charges.

### INVESTMENT POLICIES

1. Disbursement, collection, and deposit of all funds are managed to insure maximum cash availability.
2. The City strives to maximize the return on investments consistent with the primary goal of preserving capital in accordance with the City's ordinance and prudent investment practices.

### DEBT POLICIES

1. The City confines long-term borrowing primarily to capital improvements.
2. In anticipation of bonding, the City uses short-term debt.
3. The City follows a policy of full disclosure on every financial report and bond prospectus.
4. Revenue bonds are issued when practical for City enterprises to reduce the amount of the City's general obligation debt.
5. The City maintains an aggressive retirement of existing debt over 10 years for city-at-large debt and 15 years for special assessment debt.
6. The City uses general obligation debt to fund general purpose public improvements which cannot be financed from current revenues.
7. The City uses special assessment general obligation debt to fund special benefit district improvements consistent with existing policies.

### RESERVE POLICIES

1. The City maintains a revenue reserve to pay for expenses caused by unforeseen emergencies or for shortfalls caused by revenue declines. This reserve is established at no less than 5 percent and no greater than 10 percent of annual revenues.
2. The City maintains a contingency expenditure account to provide for unanticipated expenditures of a nonrecurring nature, or to meet unexpected small increases in service delivery costs.
3. Reserves in excess of these amounts in the General Fund shall be used for one-time only expenditures.
4. The City maintains a debt service fund reserve at year-end equivalent to 5 percent of annual revenues of the debt





service fund. Any amount in excess of this reserve will be used to reduce capital project fund general purpose expenditures.

5. Adequate levels of working capital shall be maintained in all proprietary funds.

#### ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

1. An independent audit is performed annually and completed not later than June 1 of each year.

2. The City produces annual and monthly financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).

#### B. CAPITAL IMPROVEMENT PROGRAM GUIDELINES (MARCH 1994)

The Capital Improvement Program (CIP) guides new construction and improvements to the City's infrastructure and facilities, ranging from road expansion to repairs on publicly owned buildings to acquisition of new water sources.

The CIP requires a sound operating budget and a solid financial base to allow for debt or cash financing of capital projects. A well prepared operating budget can also assist in raising or maintaining the bond rating of the City. A higher bond rating means that the City pays a lower interest rate for the bonds sold to finance capital projects.

The annual budget process takes into account requirements of funding infrastructure, maintenance, and related operational costs. Since the CIP is primarily funded from property taxes, mill levy changes in the annual operating budget can mean changes in resources available for capital projects.

#### REVENUE SOURCES AND PROJECTIONS

Development of the CIP has two phases. The first phase is revenue projections. Like revenue projections for the operating budget, trends are studied, and performance assumptions are generated. From these assumptions, expenditure estimates are developed. Since the CIP is a ten-year plan, revenue projections must be made further into the future than those required for the operating budget.

Existing debt service obligations are considered when estimating the additional amount of debt that can be assumed under the City's policy. After the new debt for proposed projects is calculated and all revenue sources are identified, projects are prioritized and funds are allocated for the ten year planning period. The revenues and debt service expenditures for that part of the CIP financed from property and sales taxes are managed through the Debt Service Fund. Components of revenue funding the CIP are:

1. The mill levy is projected at 10 mills for the ten year CIP period.
2. Sales tax revenue for freeway and road construction is managed through the Sales Tax Trust Fund until the funds are

transferred to projects or to the Debt Service Fund to pay debt service on sales tax general obligation bonds.

3. Special assessments made against properties fund portions of the CIP.

4. Motor vehicle taxes collected by Sedgwick County on all motor vehicles not subject to property or ad valorem taxes are a CIP revenue source.

5. Interest earnings on the fund balance and current revenues contribute to CIP revenue.

6. Transfers from other funds, such as the Tourism and Convention Fund for Expo Hall, Lawrence-Dumont Stadium and parking facilities, and from Tax Increment Financing Funds for economic development projects are considered in revenue estimating.

7. Other proceeds considered when developing the CIP are from the sale of City owned property.

Other parts of CIP financing are budgeted as debt service in proprietary funds.

#### PROJECT REVIEW

The second phase of developing the CIP involves the project request. Each project request is sent to major corporations, community organizations, District Advisory Boards, and other groups that would be impacted. Any interested party may submit a project for consideration by City engineers and the CIP Administrative Committee.

The CIP Administrative Committee, through a series of meetings, develops the project plan for the term of the program. Projects are studied and ranked according to criteria set forth by the Committee.

Projects proposed for the CIP are reviewed, evaluated, and recommended under the following guidelines:

1. General revenue-supported debt: Maintain a Capital Improvement Program within the debt limitations established by state law, and within a maximum local mill levy debt service established by the City Council.

2. Capital improvement projects must meet the established useful life criteria to be financed: (a) public buildings, 40 year general life, 10 year financing; (b) new road construction, 40 year general life, 10 year financing; (c) major road and bridge rehabilitation, 15 year general life, 10 year financing; (d) water, sanitary sewers, and drainage, 40 year general life, 20 year financing; (e) miscellaneous items, based on asset life, 10 year financing; and (f) local sales tax projects, 10 and 15 year financing with double barreled bonds.

3. Utility Revenue Bonds are utilized when necessary and feasible to finance Public Improvements using a 20-year amortization to minimize the impact of annual revenue requirements (sue fees).

4. Maintenance of the highway and street system to provide safe and effective vehicular access and efficient urban traffic flow emphasizing the following: (a) Expedite the plans (in cooperation with Sedgwick County) for constructing and financing US-54, maximizing state and federal funds



supplemented by local sales tax; (b) Concentrate efforts on selected cross-town arterials and intersections to improve traffic movement, safety and reduce congestion; (c) Include features in new projects which will reduce future maintenance requirements (i.e., delineation of crosswalks, low-maintenance medial treatment, etc.); (d) Complete railroad crossing improvements on arterials; and (e) Provide good streets and roadways to serve City facilities (i.e., Art Museum, Cowtown, Expo Hall, Airport, etc.).

5. Provide improvements in the downtown area.
6. Continuation of Neighborhood Improvement Program in conjunction with code enforcement.
7. Emphasize projects in problem areas without regard to the percentage of the total CIP funds available. Under no circumstances will all projects be selected from one area of the City.
8. Develop a balanced capital maintenance program for all types of City assets.
9. Include beautification and landscape improvements in projects, especially on arterials and highways, public facilities, etc.
10. Insure an adequate water supply for existing neighborhoods and for the planned growth and development of the City.

#### HEARINGS AND ADOPTION OF THE CIP

Upon completion of the Administrative Committee's plan, the committee's recommendations are forwarded to the City Manager and then to the City Council. Hearings are held before the Metropolitan Area Planning commission and the District Advisory Boards. Like the operating budget, the City Council hears public comments on the CIP prior to adoption. The City Council may shift, add, or delete projects in the proposed CIP.

#### IMPLEMENTATION

After the CIP is adopted by the City Council, departments use the CIP as a guide for implementing capital improvements. Initiation of each project must be authorized individually by the City Council through the adoption of an ordinance or resolution.

#### BUDGETING FOR ONGOING OPERATING COSTS OF CIP PROJECTS

As a general practice, the proposed 10-year CIP is developed and revised in a process that parallels development of the City's two-year budget. Departments provide estimated ongoing costs associated with CIP projects so all costs can be considered in the evaluation process. When a project is completed, the operating costs are included in the department's operating budget.



## ACCOUNTING POLICY

**REPORTING ENTITY.** For financial reporting purposes the City includes financial information for the appointive boards and commissions that are controlled by or dependent on the City. Control or dependence is determined on the basis of oversight responsibility, budget adoption, taxing authority, funding and appointment of respective governing boards. The boards and commissions which are appointed by the elected City officials, accountable for fiscal matters related thereto and for which the City provides accounting services include: Art Museum, Wichita Airport Advisory Board, Library Board, Board of Park Commissioners Advisory Board, Metropolitan Transit Advisory Board, and the Board of Housing Commissioners.

The financial activities of these boards and commissions are reflected in the special revenue, capital project, enterprise and expendable trust funds as appropriate.

**BASIS OF ACCOUNTING.** The accrual basis of accounting is used for all funds except the governmental fund types, expendable trust funds and agency funds, which use the modified accrual basis of accounting. Modifications in such method from the accrual basis are as follows:

1. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Revenues received prior to their normal time of receipt are recorded as deferred revenues.
2. Disbursements for the purchases of capital assets providing future benefits are treated as expenditures and are accounted for in the general fixed assets account group. Appropriations for capital projects are carried forward until such time as the project is completed or terminated.
3. Interest on general long-term debt is not accrued but is recorded as an expenditure on its due date.

**BUDGETARY CONTROL.** Applicable Kansas statutes require that annual budgets be legally adopted for all funds (including proprietary funds) unless exempted by a specific statute. Specific funds exempted from legally adopted budgets are all federal and state assistance funds, all capital project funds, the Transit Fund, the Airport Fund, the Golf Course System Fund and all trust and agency funds. Controls over spending in funds that are not subject to legal budgets are maintained by the use of internal spending limits established by management. For budgeting, revenues are recognized when they become both measurable and available to finance expenditures of the current period except for special assessments of the bond and interest fund, which are recognized on the cash basis.

Kansas statutes require the use of an encumbrance system as a management control technique to assist in controlling expenditures. Encumbrances of the budgeted governmental fund types, represented by purchase orders, contracts and other commitments, are reported as a charge to the current year budget. For budget purposes, unencumbered cash balances are determined by deducting liabilities and encumbrances from cash and receivables susceptible to accrual.

The statutes provide for the following sequence and timetable in adoption of budgets:

Preparation of budget for the following calendar year begins on or before August 1 of each year.

1. Publication of proposed budget on or before August 5 of each year.
2. A minimum of ten days notice of public hearing, published in local newspaper, on or before August 15 of each year.
3. Adoption of final budget on or before August 25 of each year.

Kansas statutes permit transferring budgeted amounts from one object of purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. All unencumbered appropriations lapse at the end of the year, except for capital project funds, which are carried forward until such time as the project is completed or terminated. Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish a notice of hearing to amend the budget. Ten days after publication, a public hearing is held and the governing body may amend the budget at that time.

Additional information regarding funds and budgetary accounting policies may be found in the City of Wichita's Comprehensive Annual Financial Report prepared by the City Controller's Office.



## DESCRIPTION OF FUNDS

The accounts of the City are organized on the basis of funds and groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

### GOVERNMENTAL FUNDS

**GENERAL FUND.** The General Fund is the principal fund of the City that accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City, other than proprietary fund expenditures, are financed through revenues received by the General Fund.

**SPECIAL REVENUE FUNDS.** These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the City. The City maintains a separate special revenue fund for each federal or state grant program.

**DEBT SERVICE FUND.** The bond and interest fund is used to account for the payment of principal and interest on the City's general obligation bonds that are recorded in the general long-term debts group of accounts. Revenues for this purpose include ad valorem property taxes, special assessment taxes, investment interest income and City Hall parking lot revenues.

**CAPITAL PROJECT FUNDS.** The capital project funds account for capital improvements (except for those financed by proprietary funds) which are financed from the City's general obligation bond issues, special assessments, certain federal grants and other specific receipts.

### PROPRIETARY FUNDS

**ENTERPRISE FUNDS.** Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), federal grants and other City funds.

**INTERNAL SERVICE FUNDS.** Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies for the City and other governmental units, on a cost reimbursement basis.

### FIDUCIARY FUNDS

**TRUST AND AGENCY FUNDS.** Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units and other funds. These include expendable and pension trust funds and agency funds.

### ACCOUNT GROUPS

**GENERAL FIXED ASSETS ACCOUNT GROUP.** This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

**GENERAL LONG-TERM DEBT ACCOUNT GROUP.** This group of accounts is established to account for all long-term debt of the City, except that accounted for in the proprietary funds. Under the statutes of the State of Kansas, debt issued to finance special assessment projects constitutes a general obligation of the City. Therefore, this debt is recorded in the general long-term debt account group and is serviced through the Debt Service Fund. The City does not issue special assessment bonds.





## DESCRIPTION OF REVENUE SOURCES

**ADMINISTRATIVE CHARGES.** Reimbursements to the General Fund for the indirect costs incurred against General Fund budgets for the indirect support of departments and operations funded outside the central administrative divisions (administrative procedure).

**AD VALOREM PROPERTY TAXES.** Taxes levied against the assessed valuation of taxable real and personal intangible property in the County. The tax rate is expressed in "mills" per \$1 of the assessed valuation of the property, and is equal to \$1 per \$1,000 of assessed valuation. Currently, Kansas Statutes set the assessment of property as follows:

- residential, 11.5 percent;
- land used for agricultural purposes, 30 percent;
- vacant lots, 12 percent;
- real property used by non-profit organization, 12 percent;
- public utility, 33 percent;
- commercial, 25 percent,
- all other, 30 percent.

**ALCOHOLIC LIQUOR TAX.** A tax on gross receipts from the sale of liquor at retail. (K.S.A., Ch. 79, Art. 41)

**CHARGES FOR CURRENT SERVICES AND SALES.** Revenue derived from all charges required for current services and sales such as the recording of legal instruments, the sale of certificates, examination fees, the sale of department division manuals, street cut repairs, and safety charges and sales, nursing fees, and other health charges and sales. (K.S.A., Ch. 12, Art. 7, Ch. 13, Arts. 9 and 14, Ch. 28, Art. 1, Ch. 65, Arts. 24, 708 and 737a; Code of the City of Wichita, Chapters 1.04.070, 2.08, 2.21, 2.24, 6.04, 7.12, 10.20.050, 11.68, 19.08.030, 21.04.040, 22.04.220, and 28.04.210)

**DEALER'S STAMP TAX.** Taxes paid on new and used automobiles by dealers in lieu of ad valorem taxation on automobile dealers' vehicle inventory. (K.S.A., Ch. 79, Art. 10)

**DELINQUENT TANGIBLE PROPERTY TAX.** Ad valorem property taxes collected from previous tax years. (K.S.A., Ch. 79, Art. 2004 and 2004a)

**FEDERAL AND STATE GRANTS AND CONTRIBUTIONS.** Revenue received from the federal and state governments for assistance in programs such as low cost housing, youth programs, health-related programs, or other federal and state-supported projects (administrative agreement).

**FINES AND PENALTIES.** Revenue derived from Municipal Court fines, forfeits, and penalties. (K.S.A., Ch. 13, Art. 617; Code of the City of Wichita, Title 4, Intoxicating Liquor; Title 5, Public Safety Morals; Title 11, Traffic)

**FRANCHISE FEES.** An annual fee paid for by People's Gas Co., Westar, Southwestern Bell, Cox Communications, the Wichita Water and Sewer utilities and the Storm Water Utility, for the privilege of doing business in the municipality. (K.S.A., Ch. 12, Art. 20, Code of the City of Wichita Franchises)

**GASOLINE TAX.** A tax on the use, sale, or delivery of all motor vehicle fuels used, sold, or delivered in this state for any purpose whatsoever. Taxation rates are set by a formula established by the Director of Taxation. (K.S.A., Ch. 79, Arts. 3408 and 3425)

**INTEREST EARNINGS.** Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government. (Code of the City of Wichita, Section 2.18.030; administrative procedure)

**INTERGOVERNMENTAL REVENUE.** Revenue derived from payments to the municipality by other public governments. (K.S.A., Chapters 12, 68, and 79; administrative agreements)

**LICENSES.** Revenue derived from the issuance of a legal permission by the City of Wichita, which authorizes a person to operate a business or occupation in the municipality. The regulation is based on the police power of protecting the public safety, health, and general welfare. (Code of the City of Wichita, Titles 34, 7, 10, 16, 1819, 2122, 2426 and Chapters 3.02 and 3.04)

**LOCAL SALES TAX.** A one percent (1%) tax approved by the voters in July 1985, levied on gross retail sales in Sedgwick County in addition to 5.3 percent tax levied by the state of Kansas. (K.S.A., Ch. 12, Art. 1)

**MOTOR VEHICLE TAX.** A tax collected by Sedgwick County on all motor vehicles that are not subject to property or ad valorem taxes, such as passenger cars, pickup trucks, and motorcycles. (K.S.A., Ch. 79, Art. 51)

**PAYMENT IN LIEU OF TAXES.** Revenue derived from the issuance of a legal permission by the City of Wichita authorizing certain work to be performed on a particular project. (Code of the City of Wichita, Chapters 10.08, 10.12, 10.24, 10.20, 14, 16.04, 16.08, 17.08, 18.04, 18.04.065, 18.08, 18.12, 18.24, 18.28, 19.08, 21.04, 22.04, 22.08, 24.04, 26.04, 26.04.100., and Uniform Building Code)

**RENTAL INCOME.** Revenue derived from the rental of City facilities such as City Hall Cafeteria and Parking Garage, Century II Concert Hall, Omnisphere, LawrenceDumont Stadium, Expo Hall, and Building Services. (K.S.A., Ch. 12, Art. 21 and 631c; Code of the City of Wichita, Chapters 2.21, 7.08, 9.20, 16.04, 15.15, 17.12; Charter Ordinance No. 13, Code of the City of Wichita; administrative procedure)



**OLD COUNTY COURTHOUSE**

*This grand stone courthouse was begun in 1888 on land donated by pioneer D.S. Munger. This picture was taken not long after its completion in 1890. If jeweler Ed Vai was keeping the clocks wound, a duty for which he was paid \$6 a month for many years, the hands would indicate a southwest exposure. The central tower originally extended 90 feet above the slate roof. It served as the seat for county government until 1959 when the new courthouse was constructed across the street. County offices, courtrooms and jail moved to the new \$8.5 million courthouse in 1959. The building today houses various county offices.*



## GLOSSARY

### —A—

**AAAE.** *American Association of Airport Executives.* The AAAE is a management tool for airport personnel and people interested in the airport industry. It offers ideas to maximize revenues and minimize costs at airports; provides updates on industry issues important to general aviation and commercial service airports; and, offers the combined experience of airport executives across the country.

**APWA.** *American Public Works Association.* The American Public Works Association is an international educational and professional association of public agencies, private sector companies, and individuals dedicated to providing high quality public works goods and services.

**AWWA.** *American Water Works Association.* The American Water Works Association is an international nonprofit scientific and educational society dedicated to the improvement of drinking water quality and supply. AWWA is defined by six core competencies, through which they communicate and interact with all of their audiences. Together, the competencies distinguish AWWA as the authoritative resource for knowledge, information, and advocacy to improve the quality and supply of drinking water in North America and beyond.

**Ad Valorem Tax.** A tax levied on the assessed value of both real and personal property in proportion to the value of the property (commonly referred to as "property tax").

**Administrative Charge.** Payments to the General Fund for indirect costs incurred against General Fund budgets.

**Adopted Budget.** A financial plan presented, reviewed and approved by the governing body for the upcoming or current fiscal year.

**Alcoholic Liquor Tax.** A tax on gross receipts from the sale of liquor at retail.

**Allocation.** Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities or other logical measures of use.

**Annual Budget.** A financial plan that consists of policy and funding priorities, as well as a presentation of the economic outlook for a given fiscal year.

**Appraised Value.** Market dollar value given to real estate, utilities, and personal property; established through notification, hearing and appeals and certification process.

**Appropriation.** An authority and allocation created by City Council that permits the officials to incur obligations against, and to make expenditures of, governmental resources (revenues).

**Assessed Value.** Appraised value of property adjusted downward by a classification factor, to determine the basis for distributing the tax burden to property owners.

**Asset.** Resources that have monetary value and are owned or held by a government.

**Attrition.** A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

**Authorized Positions.** Employee positions, which are authorized in the adopted budget, to be filled during the year.

**Audit.** A review of the City's accounts by an independent accounting firm to substantiate year-end fund balances, reserves, and cash on hand.

### —B—

**BOMA.** *Building Owners and Managers Association.* A federated collection of local associations and BOMA International provide information and programs available to industry professionals. Provides research and findings on resource allocation, time and money savings, and technological advances, while also reporting on legislative issues and market conditions.

**Balanced Budget.** Management of the financial plan with the objective of ensuring that expenditures don't exceed revenues.

**Base Budget.** Cost of continuing the existing levels of service in the current budget year.

**Benchmark.** Comparing local performance statistics with selected benchmarks is a valuable step in evaluating municipal operations. Benchmarking entails the analysis of performance gaps between one's own organization and best-in-class performers, the identification of process differences that account for the gap, and the adaptation of key processes for implementation in one's own organization in an effort to close the gap. The City of Wichita uses benchmarking to help provide information internally and externally about the efficient delivery of quality services. *(For more information see the Benchmarking section on pages 12-14 in this volume.)*



**Bingo Tax.** A three percent (3%) tax on gross revenues incurred by bingo parlors to be used for the purpose of enforcement and regulation.

**Bond.** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate. The City sells bonds as a means of borrowing revenue for costly projects and repays the debt to the lender over an extended period of time, similar to the manner in which a homeowner repays a mortgage. A bond differs from a note in two ways. A bond is issued for a longer period of time than a note and requires greater legal formality. Bonds are primarily used to finance capital projects.

**Budget.** Financial plan consisting of estimated revenues and expenditures (purposes) for specified time. The operating budget provides for direct services and support functions of the City (e.g.; Police, Fire, Public Works, etc.). The capital budget (Capital Improvement Program) provides for improvements to the City's infrastructure and facilities, and utilizes long-term financing instruments. *(See also Adopted Budget, Annual Budget, Balanced Budget, Base Budget, Capital Budget, City Budget, Municipal Budget, Operating Budget, Revised Budget.)*

**Budget Amendment.** Legal means by which an adopted expenditure authorization or limit is increased and could be authorized with a publication, a hearing or a re-certification of the budget.

**Budget Calendar.** The schedule of key dates which a government follows in the preparation and adoption of the budget. *(For more information, see pages 17 and 20 of this volume.)*

**Budget Message.** A general policy discussion of the budget as presented in writing by the budget-making authority to the City Council. The message outlines the budget plan and main points of interest. The City's budget message is presented as the City Manager's letter in the proposed and adopted budget documents.

**Budgetary Basis.** This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.



**Capital Budget.** A financial plan for the first fiscal year of the ten-year Capital Improvement Program, which is also the fiscal year covered in the Adopted Budget. *(See also Capital Improvement Program.)*

**Capital Expenditures.** A capital expenditure is a purchase of any item over \$5,000 with a useful life of 10 years or less, and is funded through the operating budget. Capital projects cost over \$5,000 and have a useful life of at least 10 years, and are funded from the Capital Improvement Program (capital budget). *(See also Capital Budget, Capital Improvement Program, Expenditure.)*

**Capital Improvements.** Any significant physical acquisition, construction, replacement, or improvement to a City service delivery system.

**Capital Improvement Program (CIP).** A ten-year expenditure plan financing new infrastructure and facilities, or improvements to the existing infrastructure and facilities. Set forth in the CIP is the name of each project, the expected beginning and ending date, the amount to be expended in each year and the proposed method of financing the projects. *(For more information see the CIP section pages 157-182 of this volume or page 275 of Volume 2.)*

**Capital Outlay.** An item of non-expendable nature with a value greater than \$1,500 and with an anticipated life of more than one year under normal use.

**Carry-Over.** Appropriated funds that remain unspent at the end of a fiscal year and are allowed to be retained in the appropriating budget and expended in subsequent fiscal years for the purpose designated.

**Cash Basis.** A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Charges for Current Services and Sales.** Revenue derived from all charges required for current services and sales such as the recording of legal instruments, the sale of certificates, examination fees, the sale of department division manuals, street cut repairs, safety charges and sales, nursing fees, and other health charges and sales.

**City.** A large municipality governed under a charter granted by the state.

**City Budget.** A financial plan for the allocation of government resources and services with the Municipal area. *(See also Municipal Budget.)*

**City Council.** The legislative (governing) body of the City. *(A list of current Council Members and their respective districts is available on pages ii-iii and pages 35-38 of this volume.)*

**City Manager.** An official employed by an elected council to direct the administration of a city government on a day-to-day basis.



**City of the First Class.** (See also *First Class City*.)

**Collective Bargaining Agreement.** A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

**Commodity.** An expendable item used by operating activities. Examples include office supplies, repair and replacement parts for equipment, toilet supplies, and gasoline and oil.

**Consumer Price Index (CPI).** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

**Contingency.** A budgetary reserve amount established for emergencies or unforeseen expenditures not otherwise known at the time the budget is adopted.

**Contractual Services.** A cost related to a legal agreement. Examples include insurance premiums, utility costs, printing services and temporary employees (hired through a private firm).

**Council – Manager Government.** A system of local government that combines political leadership of elected officials in the form of a governing body, with the strong managerial experience of an appointed local government manager. This form of government is the fastest growing in the United States.

**Council Member.** Elected official who represents the interests of the citizens of a specified district within the City. A Council Member serves a four-year term, and cannot serve more than two consecutive terms. (*A list of current Council Members and their respective districts is available on pages ii-iii of this volume.*)

## —D—

**Dealers' Stamp Tax.** Taxes paid on new and used automobiles by dealers in lieu of ad valorem taxation on automobile dealers' vehicle inventory.

**Debt Service.** Principal and interest requirements on outstanding debt according to a predetermined payment schedule. (*For additional information, see pages 151-156 of this volume or page 273 of Volume 2.*)

**Deficit.** An excess of current-year expenditures over current-year resources.

**Delinquent Tangible Property Tax.** Ad valorem property taxes collected from previous tax years.

**Department.** The basic unit of service responsibility, encompassing a broad mission of related activities.

**Depreciation.** Expiration in the service life of capital assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

**Disbursement.** The expenditure of monies from an account.

**Distinguished Budget Presentation Awards Program.** A voluntary awards program administered by the Government Finance Officers Association (GFOA) to encourage governments to prepare effective budget documents.

**Division.** A sub-unit of a department that encompasses a substantial portion of the duties assigned to a department. May consist of several sections, which in turn may consist of clearly defined activities.

## —E—

**EPA.** *U.S. Environmental Protection Agency.* The EPA employs 18,000 people to lead the nation's environmental science, research, education and assessment efforts. They develop and enforce regulations, provide financial assistance, perform environmental research, sponsor voluntary partnerships and programs, provide environmental education and publish information pertaining to comparative data and regulations.

**Economic Development.** The process of attracting new businesses by use of incentives or innovative financing methods.

**Efficiency.** Effective operation as measured by a comparison of production with cost (as in energy, time, and money), or the ratio of the useful energy delivered by a dynamic system to the energy supplied to it.

**Effectiveness.** Producing a decided, decisive, or desired effect.

**Employee (or Fringe) Benefits.** Contributions made by a government to meet commitments or obligations for employees beyond base pay. The government's share of costs for Social Security and the various pension, medical and life insurance plans are included.

**Encumbrance.** Obligations in the form of purchase orders or contracts which are chargeable to an appropriation and for which a part of the appropriation is reserved. Encumbrances are eliminated when paid or when an actual liability is established. (*See also Prior Year Encumbrance.*)





**Enterprise Fund.** Used for government functions that are self-supporting. Enterprise funds belong to the group of funds called "proprietary" and account for operations that provide services to the community at large.

**Entitlements.** Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

**Expenditure.** Actual outlay of funds. Expenditures are budgeted by function: personal services (salaries and benefits), contractual services, commodities (materials and supplies), capital outlay, and other (including transfers out, debt service, contingencies and inventory clearing accounts).

**Expense.** Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

## —F—

**FAA.** *Federal Aviation Administration.* The FAA is responsible for the safety of civil aviation. Major roles include: regulating civil aviation to promote safety; encouraging and developing civil aeronautics, including new aviation technology; developing and operating a system of air traffic control and navigation for both civil and military aircraft; researching and developing the National Airspace System and civil aeronautics; developing and carrying out programs to control aircraft noise and other environmental effects of civil aviation; and, regulating U.S. commercial space transportation.

**FDA.** *Food and Drug Administration.* A team of 9,000 public health employees that includes physicians, nurses, consumer safety officers, lawyers, and scientists, with specialties ranging from biomaterials engineering to pharmacology. The public trusts FDA to ensure that: foods are safe, wholesome and truthfully labeled; drugs for both humans and animals, and vaccines for humans are safe and effective; blood used for transfusions is safe and in adequate supply; medical devices, from scalpels to CT scanners, are safe and effective; transplanted tissues are safe and effective; equipment that uses radiant energy, such as X-ray machines and microwave ovens, is safe; and, cosmetics are safe and properly labeled.

**FHWA.** *Federal Highway Administration.* FHWA is an agency of the U.S. Department of Transportation (DOT). FHWA is headquartered in Washington, DC, with field offices in every State, the District of Columbia, and Puerto Rico. FHWA is charged with the broad responsibility of ensuring that America's roads and highways continue to be the safest and most technologically up-to-date. Although State, local, and tribal governments own most of the Nation's highways, FHWA provides financial and technical support to them for constructing, improving, and preserving America's highway system.

**FTE.** *Full-Time Equivalent.* A measure of the total quantity of all employees. The FTE converts all employee work activity into a number equivalent to work activity hours performed by full-time employees. This serves as a standard measure among departments. A standard 40-hour per week full-time employee is equivalent to 1 FTE. (e.g., If a seasonal employee is calculated at 25%, the FTE is calculated at 0.25).

**Federal and State Grants and Contributions.** Revenue received from the federal and state governments under an administrative agreement to provide financial assistance for programs such as low-cost housing, youth programs, health-related programs, or other federal and state-supported projects. (See also *Grants*; for additional information see pages 183-186 of this volume or page 279 of Volume 2.)

**Financing.** Furnishing with the necessary funds to operate or conduct a program or business. Funds can be raised internally, borrowed, or received from a grant.

**First Class City.** A city which gains its powers from State Statutes.

**Fines and Penalties.** Revenue derived primarily from Municipal Court fines, forfeits, and penalties.

**Fiscal policy.** A government's policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming, or government budgets and their funding.

**Fiscal Year.** The 12-month budget period. The fiscal year for the City of Wichita is the January through December calendar year.

**Fixed Assets.** Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets are also called fixed assets.

**Fixed Costs.** Those costs that vary little relative to service levels provided.

**Franchise Fee.** An annual assessment paid by utilities for the privilege of doing business in Wichita. The current rate is five percent of a utility's gross receipts.

**Full-Time Equivalent Position (FTE).** A position converted to the decimal equivalent based on 2,080 hours per year. For example, a summer lifeguard working 8 hours per day for four months, or 690 hours, would be equivalent to .33 of a full-time position.



**Fund.** Accounting entity with accounts for recording revenues and expenditures to carry on specific purposes.

**Fund Balance.** The total dollars remaining after current expenditures for operations and debt service for capital improvements are subtracted from the sum of the beginning fund balance and current resources. The City Council policy goal is to maintain a total appropriated and unappropriated fund balance/reserve between five to ten percent of the General Fund expenditure budget. State law allows a maximum of 5 percent of certified budgets/funds to be unappropriated.

## —G—

**GAAP.** *Generally Accepted Accounting Principles.* Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

**GCSAA.** *Golf Course Superintendents Association of America.* Representing 21,000+ golf course management professionals, GCSAA is the leading professional organization for the men and women who manage golf courses in the United States and worldwide.

**GFOA.** *Government Finance Officers Association.* The professional association of state/provincial and local finance officers in the United States and Canada, serving the public finance profession since 1906, with over 15,500 GFOA members dedicated to the sound management of government financial resources.

**Gasoline Tax.** A tax on the use, sale, or delivery of all motor-vehicle fuels used, sold, or delivered in this state for any purpose whatsoever. Taxation rates are set by a formula established by the Director of Taxation.

**General Fund.** The City's principal operating account, which is supported primarily by taxes and fees having no restriction on their use.

**Goal.** A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

**Governing Body.** Consists of one Mayor and six Council Members, each representing a district within the City. *(A list of current governing body is available on pages ii-iii of this volume.)*

**Governmental Funds.** An accounting entity used to account for operations that rely mostly on current assets and current liabilities. Governmental funds include the General Fund, special revenue funds, and the Debt Service Fund.

**Grants.** Funding obtained from an outside source (Federal, State, local and foundation) in support of the City's strategic goals and objectives. Use of grant funding must be consistent with the goals of the entity providing the funding *(See also Federal and State Grants and Contributions; for more detailed information, see pages 183-86 of this volume or page 279 of Volume 2.)*

## —H—

**HAPLR.** *Hennen's American Public Library Ratings and Index.* HAPLR ratings are based on data from the U.S. Federal-State Cooperative Service. It is a ratings index released for public libraries in the United States.

**HUD.** *US Department of Housing & Urban Development.* Congress created the Federal Housing Administration (FHA) in 1934. The FHA became a part of the Department of Housing and Urban Development's (HUD) Office of Housing in 1965. The FHA, provides mortgage insurance on loans made by FHA-approved lenders throughout the US and its territories. FHA insures mortgages on single family and multifamily homes including manufactured homes and hospitals.

## —I—

**ICMA.** *International City/County Management Association.* ICMA is the professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, counties, and regional entities throughout the world. Since 1914, ICMA has provided technical and management assistance, training, and information resources to its members and the local government community.

**Infrastructure.** The physical assets or foundation of the City, including buildings, parks, streets and water and sewer systems.

**Interest Earnings.** Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government. Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government.

**Intergovernmental Revenue.** Revenue received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Internal Service Fund.** An accounting entity used to account for operations that provide services to City departments at cost. Like enterprise funds, internal service funds belong to the "proprietary" group of funds.



## —K—

**KDHE.** *Kansas Department of Health and Environment.* KDHE was established to optimize the promotion and protection of the health of Kansans through efficient and effective public health programs and services and through preservation, protection, and remediation of natural resources of the environment.

**KDOT.** *Kansas Department of Transportation.* KDOT was established in 1917 to help organize intrastate travel. Now, more than 3,000 employees continue the tradition with the agency's primary activities being road and bridge maintenance; transportation planning, data collection and evaluation; project scoping, designing and letting; contract compliance inspection of material and labor; federal program funding administration; and administrative support.

**KEHA.** *Kansas Environmental Health Association.* KEHA was established to promote competency and effectiveness in the regulation of the Kansas environment including, but not limited to, food service establishments, dairy products businesses, meat processing plants, bakeries, commercial lodging and hotels, swimming pools, water supplies, wastewater treatment and disposal, solid waste collection and disposal, air pollution control, radiation control, hazardous waste materials management, pesticide usage, institutions, schools, nursing homes, hospitals and health care facilities, recreational camps and public events.

**KLA.** *Kansas Library Association.* The Kansas Library Association is a nonprofit, educational organization that operates to promote library and information service to the people of Kansas, librarianship, and cooperation among all types of libraries and organizations concerned with library and information services.

**Kansas Statutes Annotated (KSA).** All laws enacted by the Legislature. These Statutes are published by the Kansas Revisor of Statutes after the closing of the regular session.

## —L—

**LKM.** *League of Kansas Municipalities.* The mission of the League shall be to unify, strengthen, and advocate for the interests of Kansas municipalities to advance the general welfare and promote the quality of life of the people who live within our cities. Established by municipal officials in 1910, the League of Kansas Municipalities is a voluntary, nonpartisan federation of over 500 Kansas cities. It operates as a public agency and is defined by state law as an instrumentality of its member cities. The powers and duties of the League are prescribed by state law and in bylaws adopted by the voting delegates of its member cities. *(As found in K.S.A. 12-1610a through 12-1610g.)*

**Laws.** A binding custom or practice of a community; a rule of conduct or action prescribed or formally recognized as binding or enforced by a controlling authority.

**Licenses.** Revenue derived from the issuance of a legal permission by the City of Wichita, which authorizes a person to operate a business or occupation in the municipality.

**Line Item.** The smallest expenditure detail in department budgets. The line item also is referred to as an "object," with numerical "object codes" used to identify expenditures in the accounting system. Within the accounting system, "objects" are further divided into "sub-groups." *(See also Object Level.)*

**Local Sales Tax.** A one percent (1%) tax approved by the voters in July 1985, levied on gross retail sales in Sedgwick County in addition to the five and three-tenths percent (5.3%) tax levied by the state of Kansas.

**Longevity.** Employee compensation payments made in recognition of a minimum number of years employed full time with the same entity. Longevity payments are two dollars per month multiplied by the total accumulative years of service, payable after six years in employment.

## —M—

**Mayor.** Elected official who acts as the chief executive officer of the City. The Mayor presides over business that is brought before the City Council. *(The current Mayor is listed with contact information on pages ii-iii of this volume.)*

**Mill.** The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation. *(For additional information, see Mill Levy Facts on pages 187-190 of this volume.)*

**Mission.** The mission statement is a brief summary of why the Department or Division exists and what it is trying to achieve. It tells what the Department does, who they do it for, and why. The statement is specific enough to describe the Department's purpose but general enough to last into the future. (Not project-bound)

**Motor Vehicle Tax.** A tax collected by Sedgwick County on all motor vehicles that are not subject to property or ad valorem taxes, such as passenger cars, pick-up trucks and motorcycles.

**Municipal Budget.** A financial plan for the allocation of government resources and services within the City *(See also City Budget.)*

**Municipality.** A primarily urban political unit having corporate status and usually powers of self-government.





## —N—

**NAFA.** *National Association of Fleet Administrators.* The National Association of Fleet Administrators, Inc. is a not-for-profit, individual membership professional society serving the needs of members who manage fleets of automobiles, SUVs, trucks and vans, and a wide range of specialized mobile equipment for organizations in the United States and Canada. NAFA provides its members a full range of products and services, including statistical research, monthly and annual publications, regional chapter meetings, government representation, annual conferences and trade shows, educational seminars and more.

**NFPA.** *National Fire Protection Association.* The mission of the international nonprofit NFPA is to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus codes and standards, research, training, and education. NFPA membership totals more than 79,000 individuals from around the world and more than 80 national trade and professional organizations. Established in 1896, NFPA serves as the world's leading advocate of fire prevention and is an authoritative source on public safety.

**NGCOA.** *National Golf Course Owners Association.* In 1971, Don Rossi (then president of the National Golf Foundation) called together a group of owners of public-access golf courses to consider forming an association to represent the interests of golf course owners. The group operated under the wing of the NGF until 1979, when the owners decided to become independent and call themselves the National Association of Public Golf Courses. From 1984 to 1990, the association, called the Golf Course Association, was headquartered in Minnesota. In August 1990, the GCA moved to Charleston, South Carolina, and changed its name to the National Golf Course Owners Association.

**NRPA.** *National Recreation & Park Association.* For more than 100 years, NRPA has been the voice advocating the significance of making parks, open space, and recreational opportunities available to all Americans. The Mission of the National Recreation and Park Association is "To advance parks, recreation and environmental conservation efforts that enhance the quality of life for all people." The National Recreation and Park Association is governed by a 70-member Board of Trustees comprising citizens and professionals who represent the diverse interest areas and disciplines within the parks and recreation industry.

## —O—

**Object Level.** Numerical "object codes" used to identify expenditures in the accounting system. Within the accounting system, "objects" are divided into "sub-groups." (*See also Line Item.*)

**Objective.** An objective statement describes a proposed change in service or new initiative that the Department or Division is planning. Objectives can be large (a new building or program), or small (improving turn-around time). They reflect a proposed enhancement in products or services. The objective statement should tell: what the objective is, who the objective is intended to impact, what the proposed impact is, and how the impact will be achieved.

**Operating Budget.** A budget that applies to all outlays other than capital improvements. This refers more to the day-to-day operations of the City.

**Operating Expenses.** The cost of personnel, materials and equipment required for a department to function.

**Operating Revenue.** Funds that the government receives as income to pay for ongoing operation. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Output Indicator.** A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of burglary arrests made, etc.). Output indicators do not reflect the effectiveness or efficiency of the work performed.

## —P—

**PLA.** *Public Library Association.* The PLA, with more than 9,000 members is a division of the American Library Association (ALA). PLA's core purpose is to strengthen public libraries and their contribution to the communities they serve.

**Payment in Lieu of Taxes.** Revenue derived from the issuance of a legal permission by the City of Wichita authorizing certain work to be performed on a particular project.

**Performance Indicators.** Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

**Performance Management.** Performance management is a way of collecting and using information to maximize service quality and resource utilization. It is a tool that allows employees, supervisors, managers, elected officials and citizens to know if we are doing the right things well. (*For additional information, see page v of this volume, or visit [Wichita.gov](http://Wichita.gov) to review the Performance Management Program for the City.*)

**Performance Measures.** A means, usually quantitative, of assessing the efficiency and effectiveness of department work programs. These measures are listed within the various department pages in this volume.



**Personal Services.** All costs related to compensating employees, including employee benefit costs such as the City's contribution for retirement, social security, and health and life insurance.

**Prior-Year Encumbrances.** Obligations from previous fiscal years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**Program.** A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

**Proposed Budget.** A schedule of revenues and expenditures submitted by various municipal departments or divisions to be reviewed and considered for the upcoming fiscal year.

**Proprietary Funds.** Accounting entities to account for operations similar to a private enterprise with a balance sheet that incorporates long-term debt obligations, assets and liabilities, and depreciation. Enterprise funds and internal service funds are "proprietary" funds.

## —R—

**Recent accomplishments.** Recent accomplishments are one of the components of the Department work program. They refer to the previous 12 to 18 months, and list significant accomplishments that the Department was able to achieve.

**Rental Income.** Revenue derived from the rental of City facilities such as City Hall Cafeteria and Parking Garage, Century II Concert Hall, Lawrence-Dumont Stadium, Expo Hall, park facilities and the like.

**Reserve.** A portion of fund equity legally restricted for a specific purpose or not available for appropriation and subsequent spending. It is normally set aside in funds for emergencies or unforeseen expenditures not otherwise budgeted.

**Resources.** Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

**Retained Earnings.** Reserved and unreserved assets (recorded in proprietary fund operations), held for future operating needs and equipment replacement.

**Revenue.** Taxes, user fees, and other sources of income received into the City treasury for public use.

**Revised Budget.** A schedule of revenues and expenditures during the current fiscal year which includes items not included in the Adopted Budget.

## —S—

**Service Level.** Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

**Special Assessment.** A compulsory levy made upon a property to defray part or all of the costs of a specific improvement that primarily benefits that specific property.

**Special Revenue Fund.** An accounting entity to record revenue that is legally destined for a specific purpose and the expenditure of the dedicated revenue.

**Strategic Agenda.** By incorporating the core foundations, benchmarks, and strategies provided by the Vision Task Force, the City was able to identify the areas of focus of responsibility to help guide the process and realize the outcomes as identified in the VISIONEERING document. The end result is the City of Wichita Strategic Agenda.

**Strategic Priority.** These are the goals set forth in the Strategic Agenda that guide the direction for each Department. *(For additional information, see City Profile page 1 of this volume.)*

## —T—

**TSA. Transportation Security Administration.** The TSA was created in response to the terrorist attacks of September 11, 2001 as part of the Aviation and Transportation Security Act signed into law by President George W. Bush on November 19, 2001. TSA was originally in the Department of Transportation but was moved to the Department of Homeland Security in March 2003. TSA's mission is to protect the nation's transportation systems by ensuring the freedom of movement for people and commerce. In February 2002, TSA assumed responsibility for security at the nation's airports and by the end of the year had deployed a federal work force to meet challenging Congressional deadlines for screening all passengers and baggage.

**Tax Lid.** Law limiting amount of property tax that can be levied for a specific government function. Also known as aggregate tax levy limitation.

**Tax Increment Financing.** Use of taxes collected within a specifically designated area for repayment of tax increment debt and major infrastructure expenditures.



**Taxes.** Compulsory assessments levied by a government for the purpose of financing services performed for the common benefit of the citizens. Taxes do not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments. (*See also Ad Valorem Taxes, Alcoholic Liquor Tax, Bingo Tax, Dealers' Stamp Tax, Delinquent Tangible Property Tax, Gasoline Tax, Local Sales Tax, Motor Vehicle Tax, Tax Lid, Transient Guest Tax.*)

**Tort.** A wrongful act or damage involving a breach of legal duty for which a civil action can be brought.

**Transient Guest Tax.** A six percent (6%) tax upon the gross receipts paid by guests in any hotel, motel, or tourist courts located in the incorporated territory of the City of Wichita.

**Trust Fund.** Used when the City is custodian of money to be reserved and spent for a special purpose.

## —U—

**UPWP.** *Unified Planning Work Program.* The UPWP is a document that contains the descriptions of transportation-related planning activities to be undertaken by the Metropolitan Area Planning and the Wichita Transit Departments. The UPWP helps facilitate and guide the development and operation of an integrated intermodal transportation system for the Wichita-Sedgwick County region.

**USDOT.** *United States Department of Transportation.* The Department of Transportation was established by an act of Congress in 1966. The mission of the Department is to: Serve the United States by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital national interests and enhances the quality of life of the American people, today and into the future.

**USGA.** United States Golf Association. The USGA has served as the national governing body of golf for the U.S., its territories and Mexico since its formation in 1894. A non-profit organization run by golfers for the benefit of golfers, the Association sponsors a variety of programs that benefits everyone who plays the game, from conducting 13 national championships each year, to writing and interpreting the Rules of Golf, to funding turf grass and course maintenance practices, to supporting grassroots programs through its "For the Good of the Game" initiative.

**Unencumbered Balance.** The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

**Unreserved Fund Balance.** The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**User Fees.** Revenue derived from payments made by the general public for the purpose of utilizing goods and services, such as entry fees, Park Department charges, class registrations, tenant rental and concessions.

## —V—

**Variable Costs.** Costs that can change substantially due to conditions such as weather or demand and affect the amount of work that can be performed.

**VISIONEERING WICHITA.** The 20 year plan compiled to help guide the direction of the Wichita area. VISIONEERING WICHITA is based on: regional growth and development for the 580,000 population in the Wichita MSA and adjacent counties in South Central Kansas; creating jobs, education, infrastructure and quality of life to make it desirable for young people to reside in the Wichita MSA

## —W—

**WICHITA, CITY OF.** Wichita, the largest city in Kansas, population 350,584 is the county seat of Sedgwick County. Major highways, including the Kansas Turnpike and Interstate I-35, link the city with a large trade area that encompasses a population of more than 1 million people within a 100-mile radius. The nearest large cities are Denver to the west, Kansas City to the northeast and Oklahoma City and Tulsa to the south and southeast. (*For more information see City Profile pages 3-10 of this volume or visit [www.wichita.gov](http://www.wichita.gov).*)



### FAIRMOUNT COLLEGE (WSU)

*In 1895 five instructors welcomed 13 students to coeducational Fairmount College. One imposing structure completed in 1892 stood where Wilner Auditorium is today, dominating the 20-acre campus and the landscape. On September 4, 1929 most of Wichita could see old Fairmount burning on the hill. A proposal to acquire Fairmount College as a municipal university was rejected by the voters in 1925 and accepted a year later. When it opened as the University of Wichita it had 569 students, a faculty of 30, 8 buildings and 53 acres. In 1964, when it became Kansas' third university, enrollment jumped from 6,720 to 9,245 and there were 43 buildings on the 140-acre campus which included the Corbin Education Center. This building was one of architect Frank Lloyd Wright's last projects before his death in 1959. Today WSU is a thriving University, with several nationally recognized departments.*